THE MANCHOUKUO YEARBOOK
1942

RESTRICTED

The Manchoukuo Year Book

1942

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1942

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FOREWORD

This issue of The Manchoukuo Year Book was compiled in a period of momentous changes the world over. Fortunately, in spite of the turbulent conditions of the past five years, Manchoukuo has shown, on the whole, a steady record of improvements in all national activities. To those acquainted with the disorderly and backward conditions of pre-Incident days, the progress that has since been attained is a pleasant revelation of what may be accomplished by courage and unflagging effort.

It is especially pleasing at this time to note that progress, for Manchoukuo this year celebrates its tenth anniversary. It has been, indeed, an eventful decade. From the beginning Manchoukuo faced a number of crucial tests, including intervention by unfriendly third powers, by boycotts, and by large-scale border wars. But these impediments were successfully overcome and it is gratifying to see that a growing number of countries have extended formal recognition to Manchoukuo.

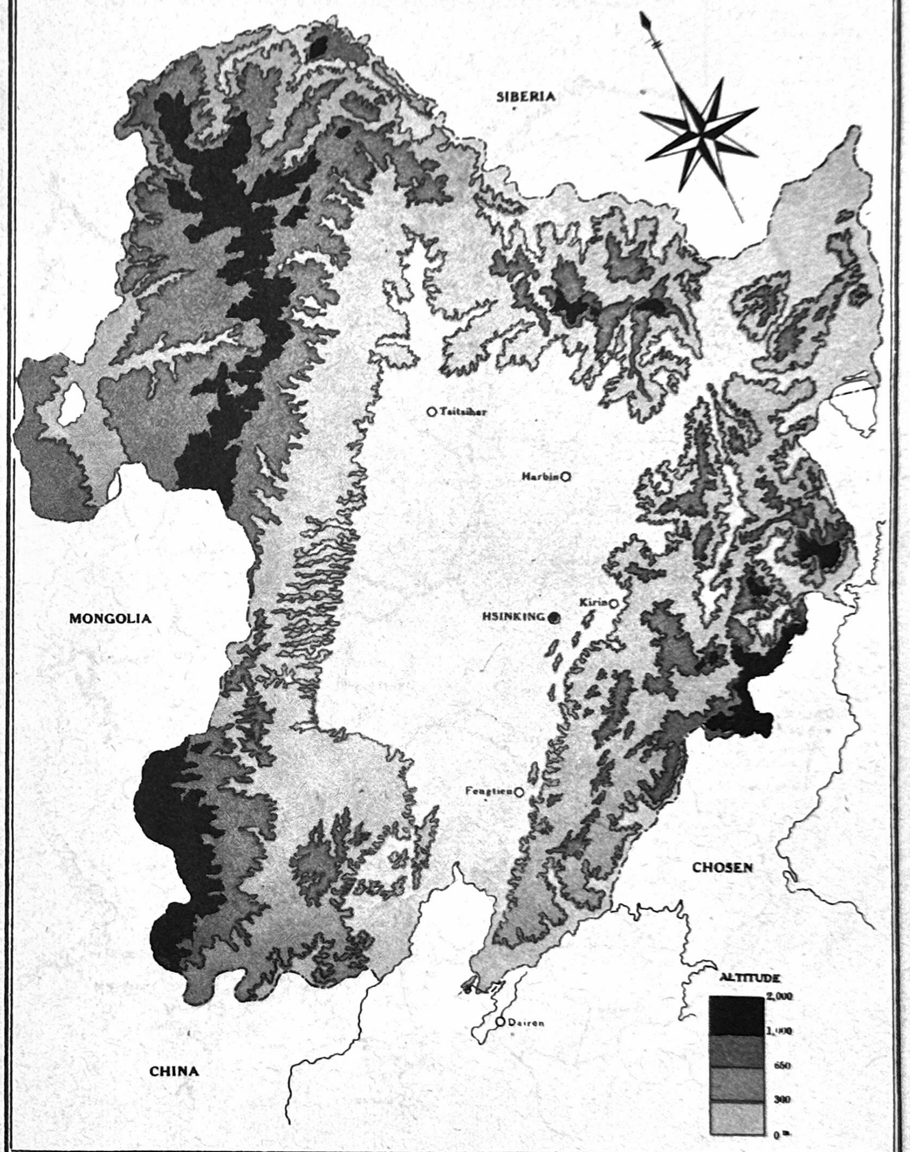
We have continued in this issue to present not only the occurrences of a given year, but also a brief historical background of the multifold affairs of the Manchoukuo Empire. By the incorporation of such historical and fundamental materials we hope a better grasp may be obtained of the significance of those events which make the past year one of the most noteworthy for more reasons than one.

In closing, we wish to thank our many collaborators, in official and private circles, both here and in Japan, for the liberal assistance and kind suggestions they have rendered us.

THE MANCHOUKUO YEAR BOOK COMPANY
Hsinking, Manchoukuo

March 1, 1942

TOPOGRAPHY OF MANCHOUKUO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Tsitsihar
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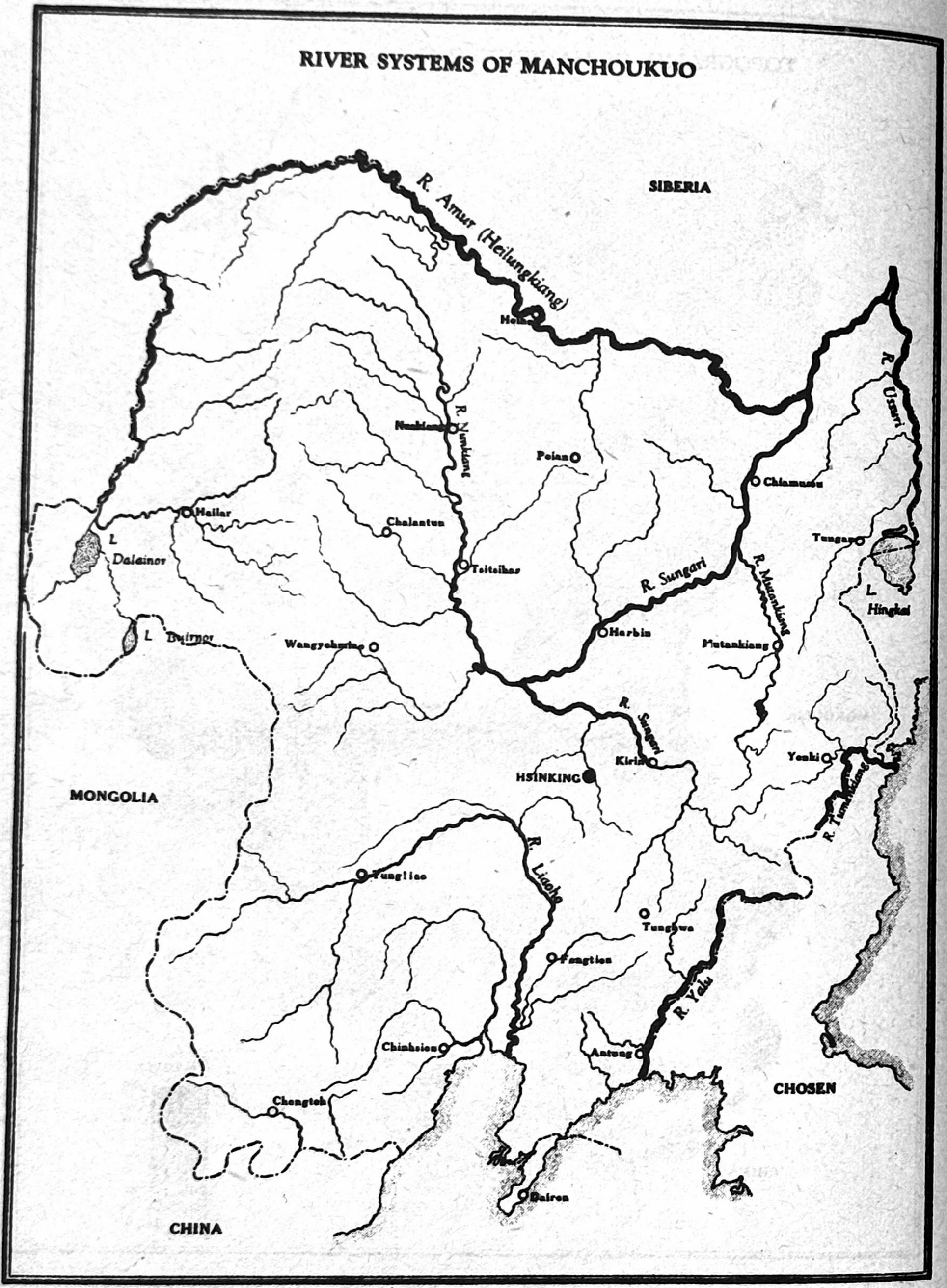
RIVER SYSTEMS OF MANCHOUKUO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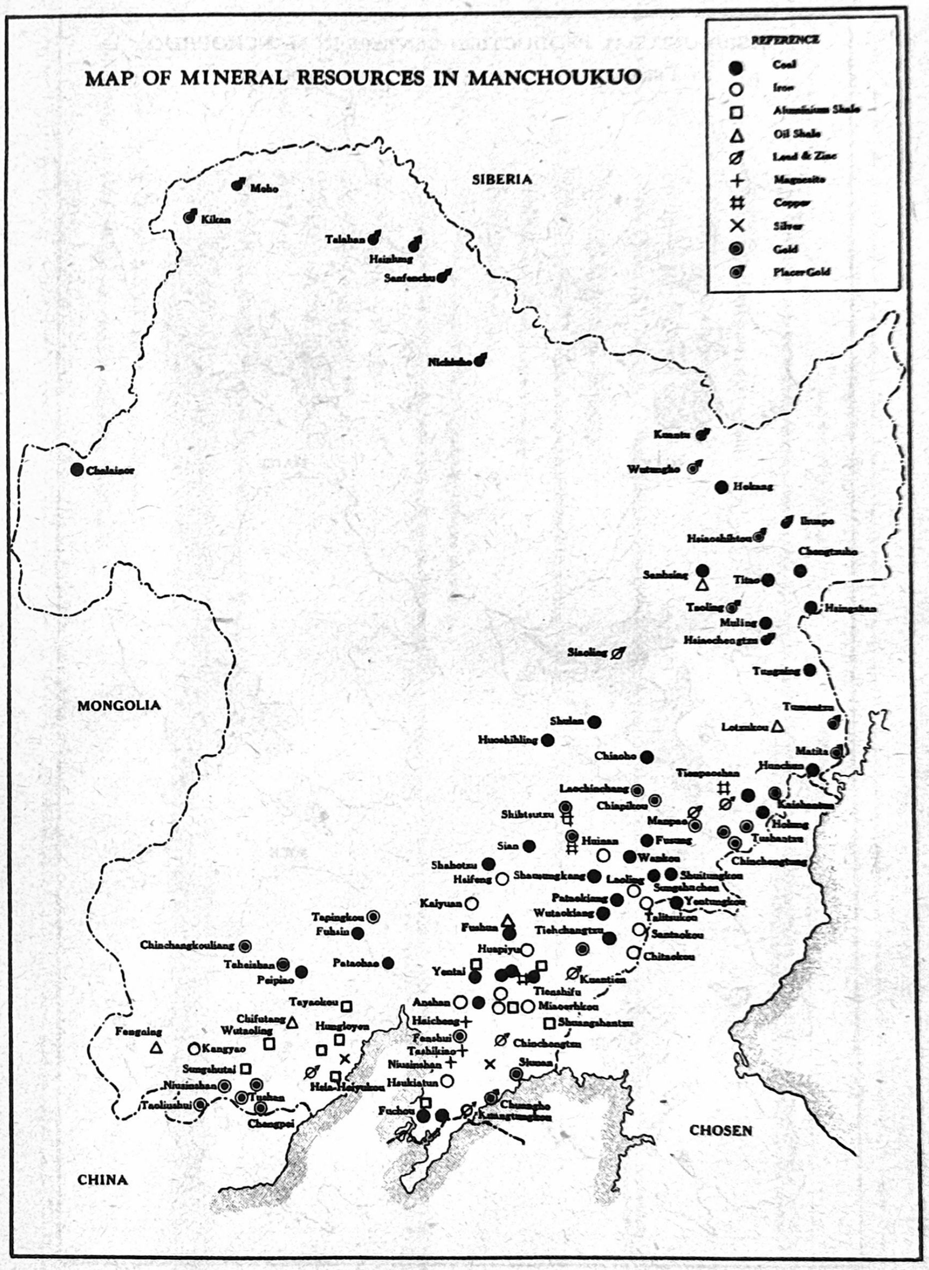
Dairen
CHINA

MAP OF MINERAL RESOURCES IN MANCHOUKUO


REFERENCE
● Coal
○ Iron
□ Aluminium Shale
△ Oil Shale
∅ Lead & Zinc
+ Magnesite
# Copper
× Silver
◉ Gold
◉ Placer Gold
SIBERIA
Moho
Kikan
Talahan
Hsinlung
Sanfenchu
Nichisho
Chalainor
Kanntu
Wutungho
Holung
Ilanpo
Hsiaoshihtou
Chengtzuho
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Tiao
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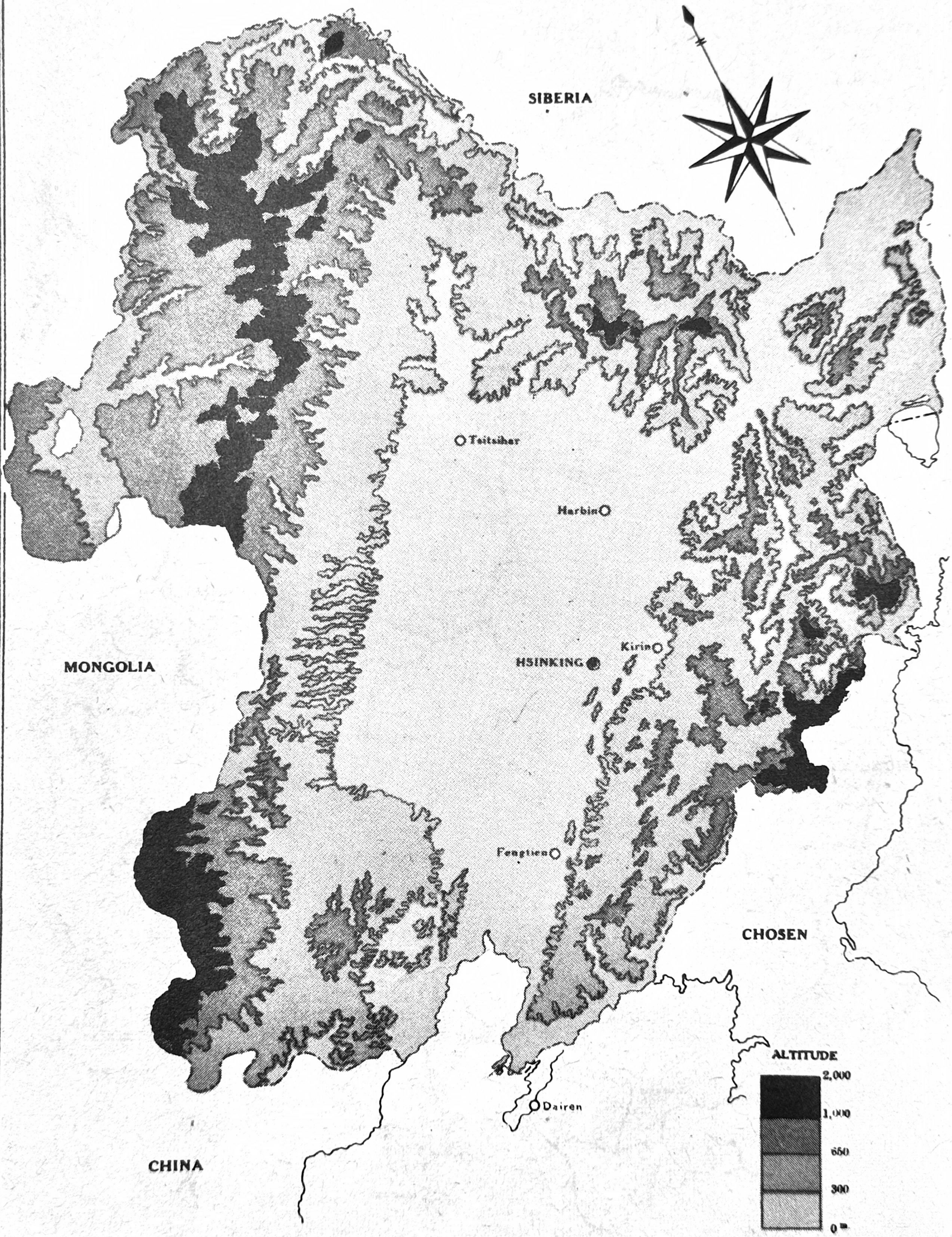
Shuangshantzu
Wutaoling
Hungloyen
Fenshui
Chinchengtzu
Fengning
Kangyao
Tashikino
Niusinshan
Siuyen
Sungshutai
Niusinshan
Hsiukiatun
Hsia-Heiyukou
Taoliushui
Tushan
Chengpei
Fuchou
Chuangho
Kuangtungkou
CHOSEN
CHINA

TOPOGRAPHY OF MANCHOUKUO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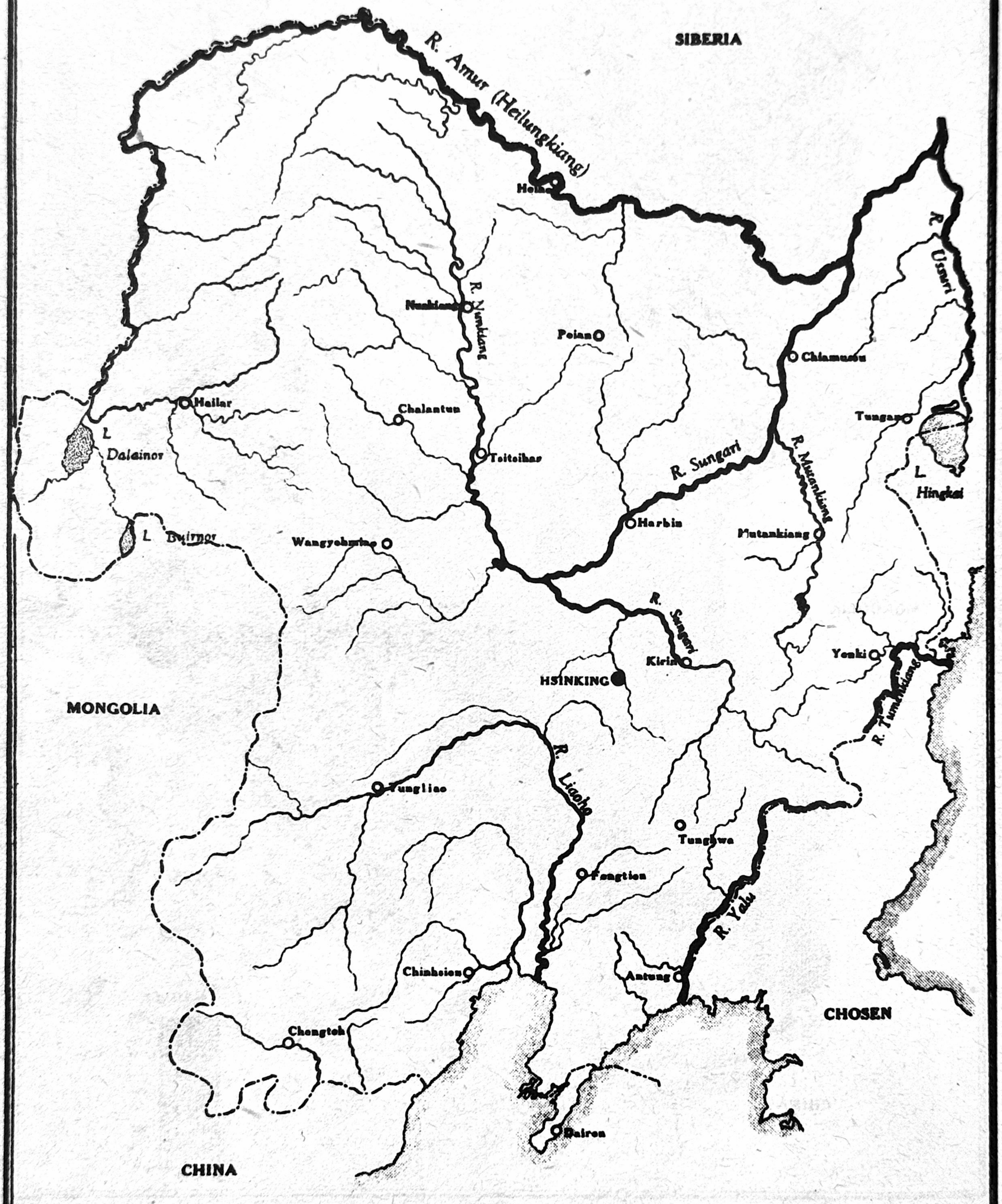
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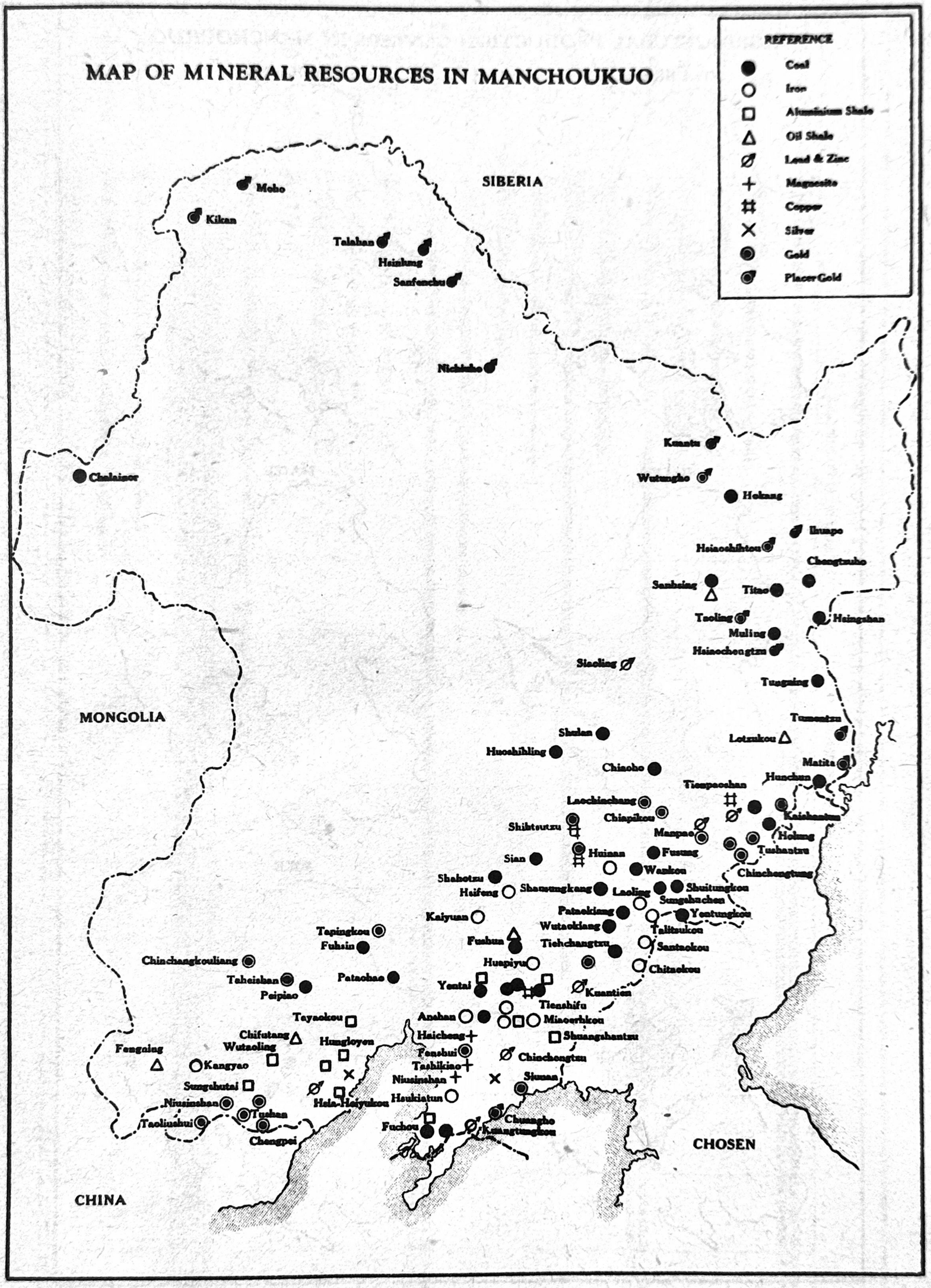

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Haukiatun
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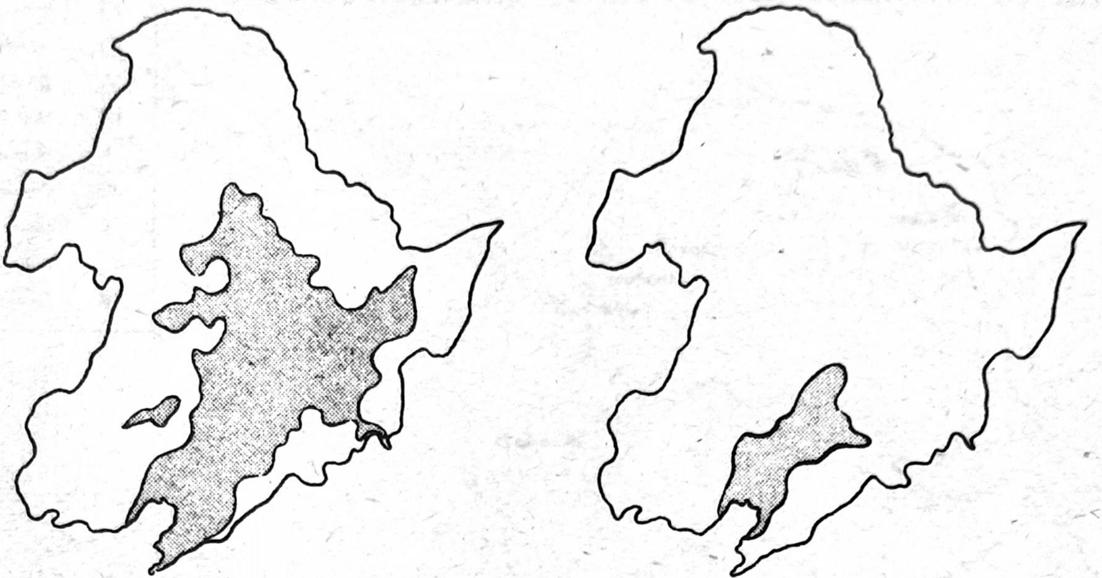
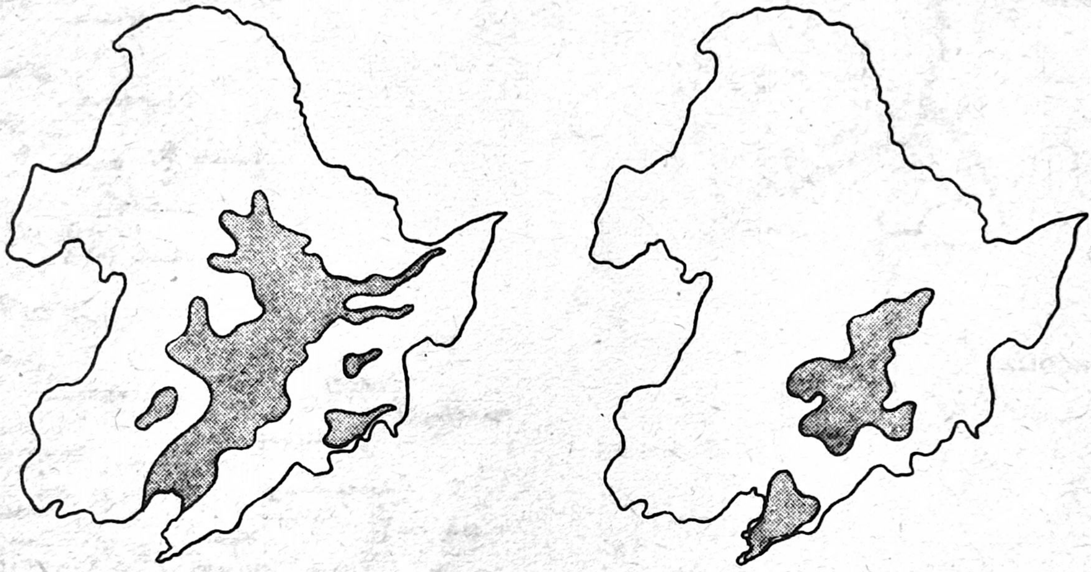
Kuangtungkou
Chengpei

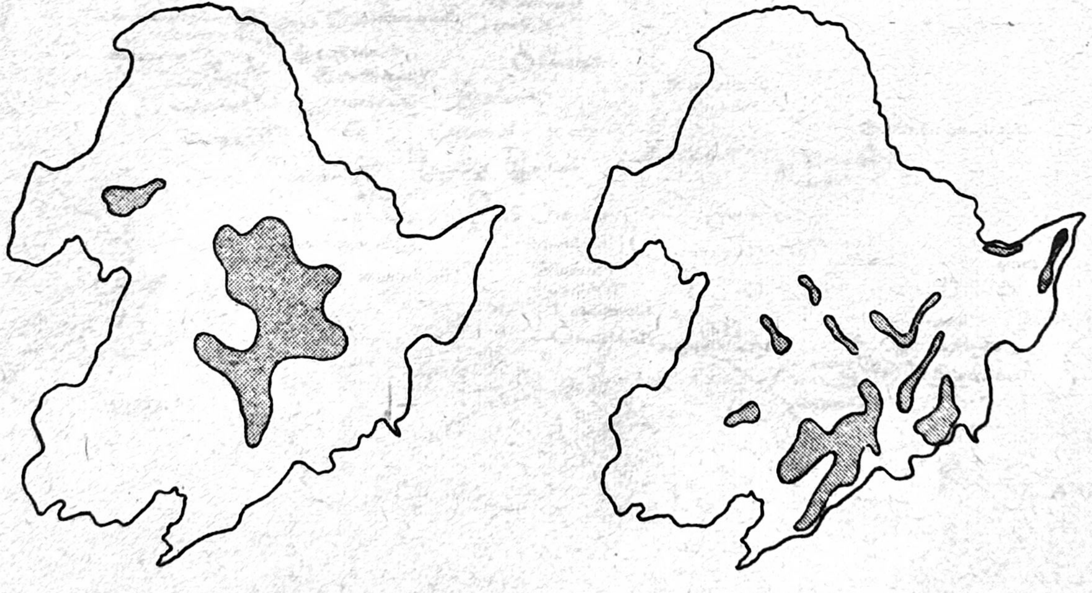
AGRICULTURAL PRODUCTION CENTERS IN MANCHOUKUO



SOYA BEANS KAOLIANG

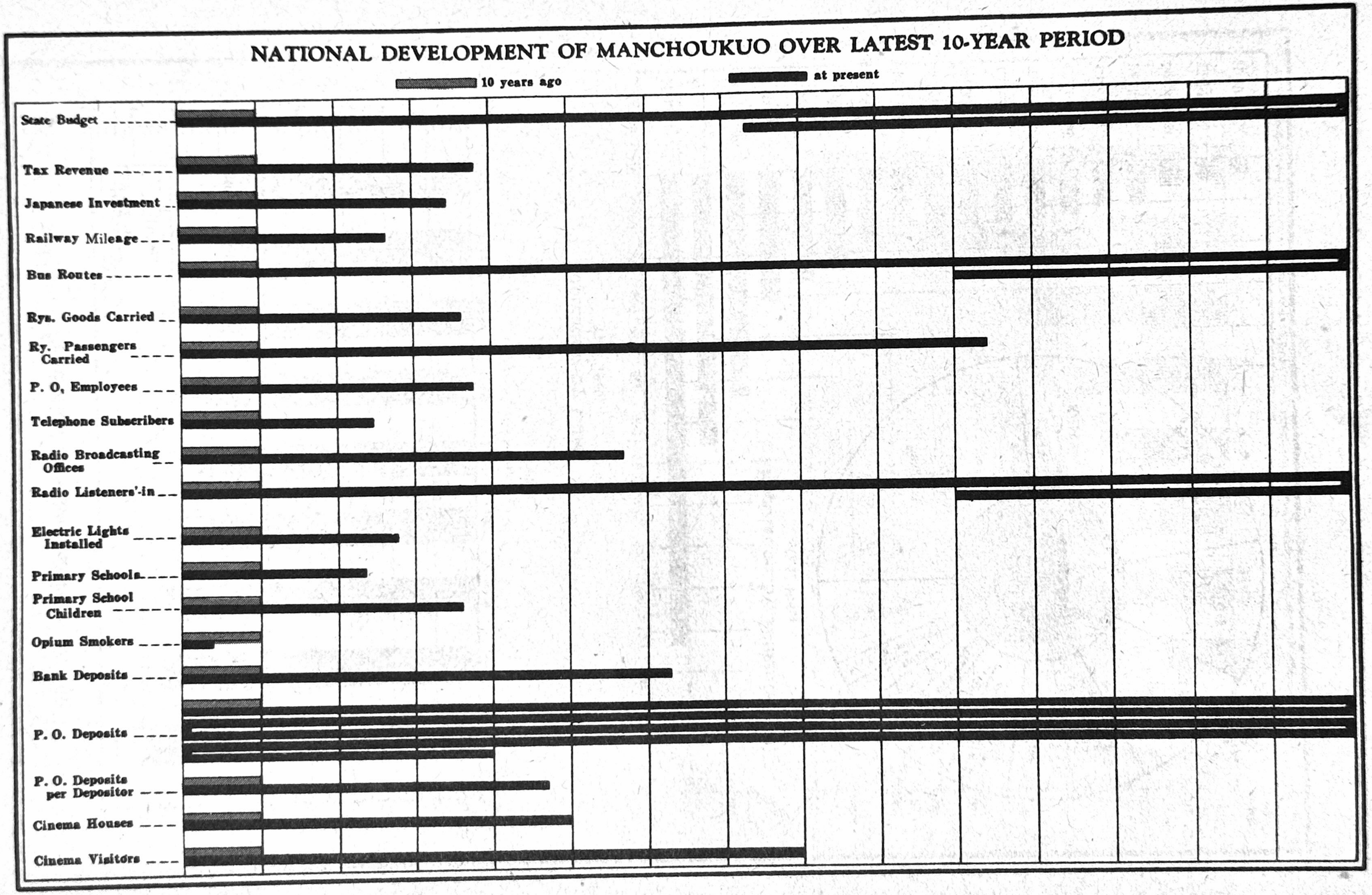


MILLET MAIZE

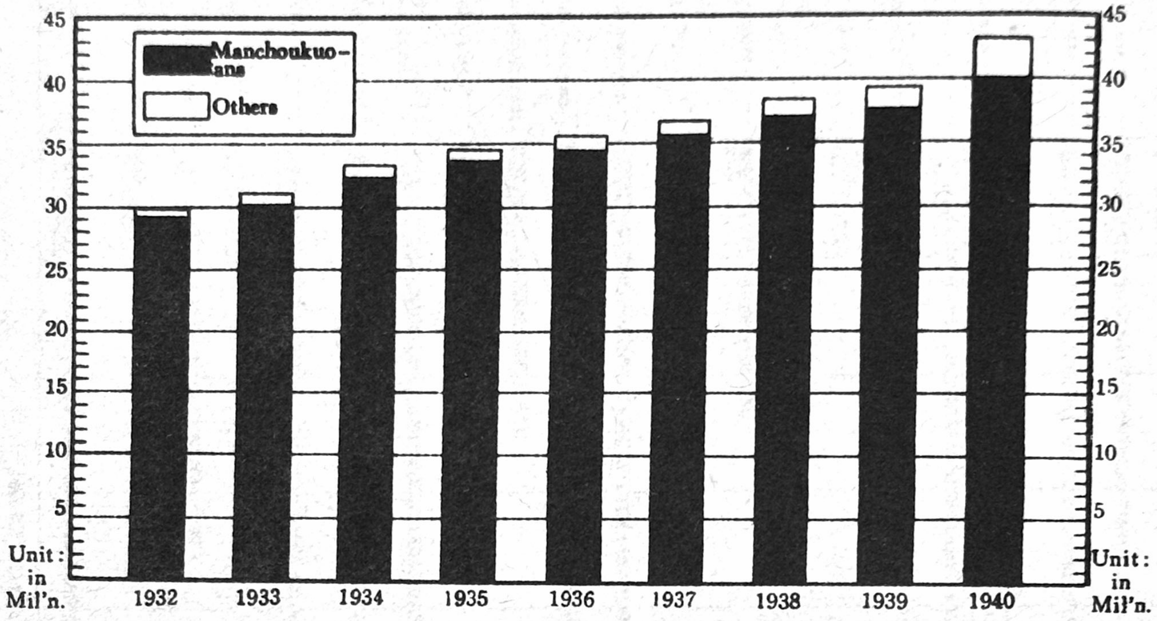


WHEAT RICE

NATIONAL DEVELOPMENT OF MANCHOUKUO OVER LATEST 10-YEAR PERIOD

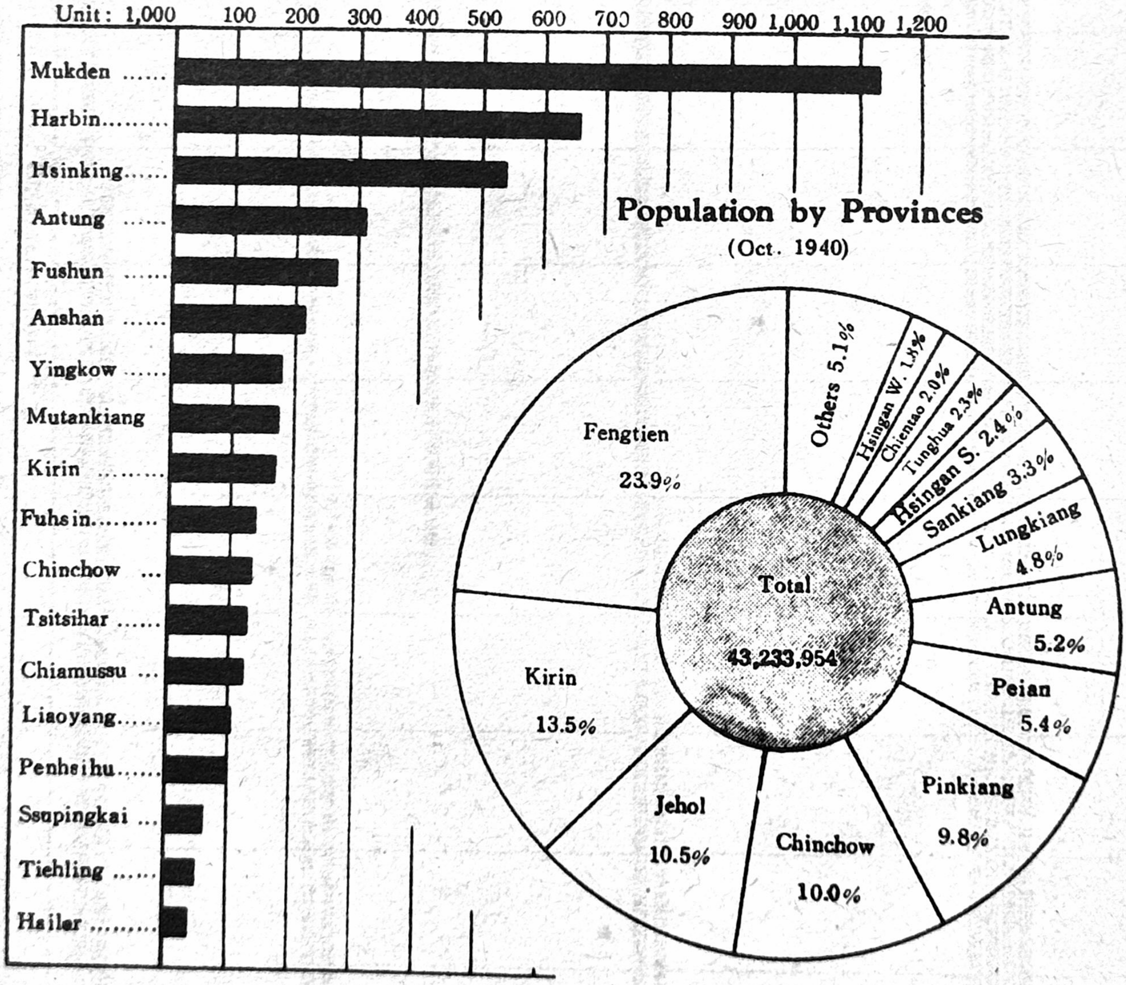


Population of Manchoukuo



Population by Cities

(Oct. 1940)

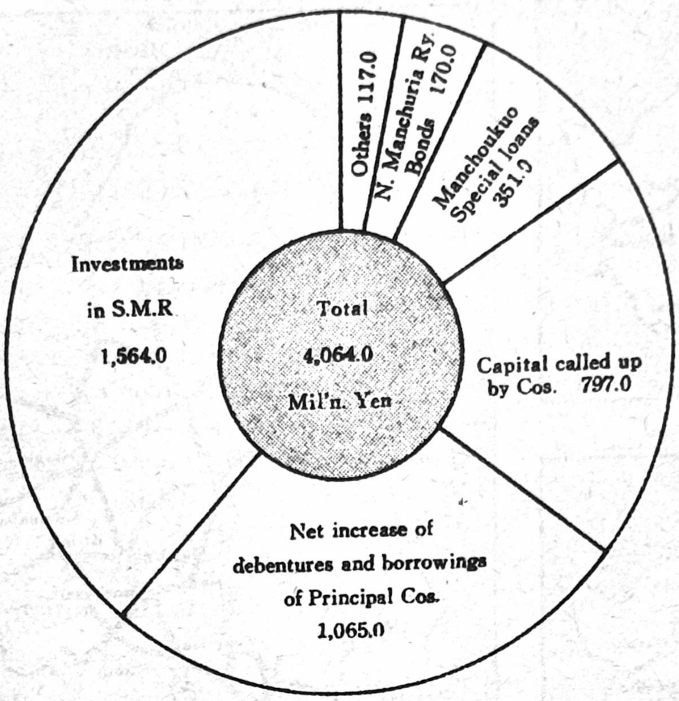


Population by Provinces

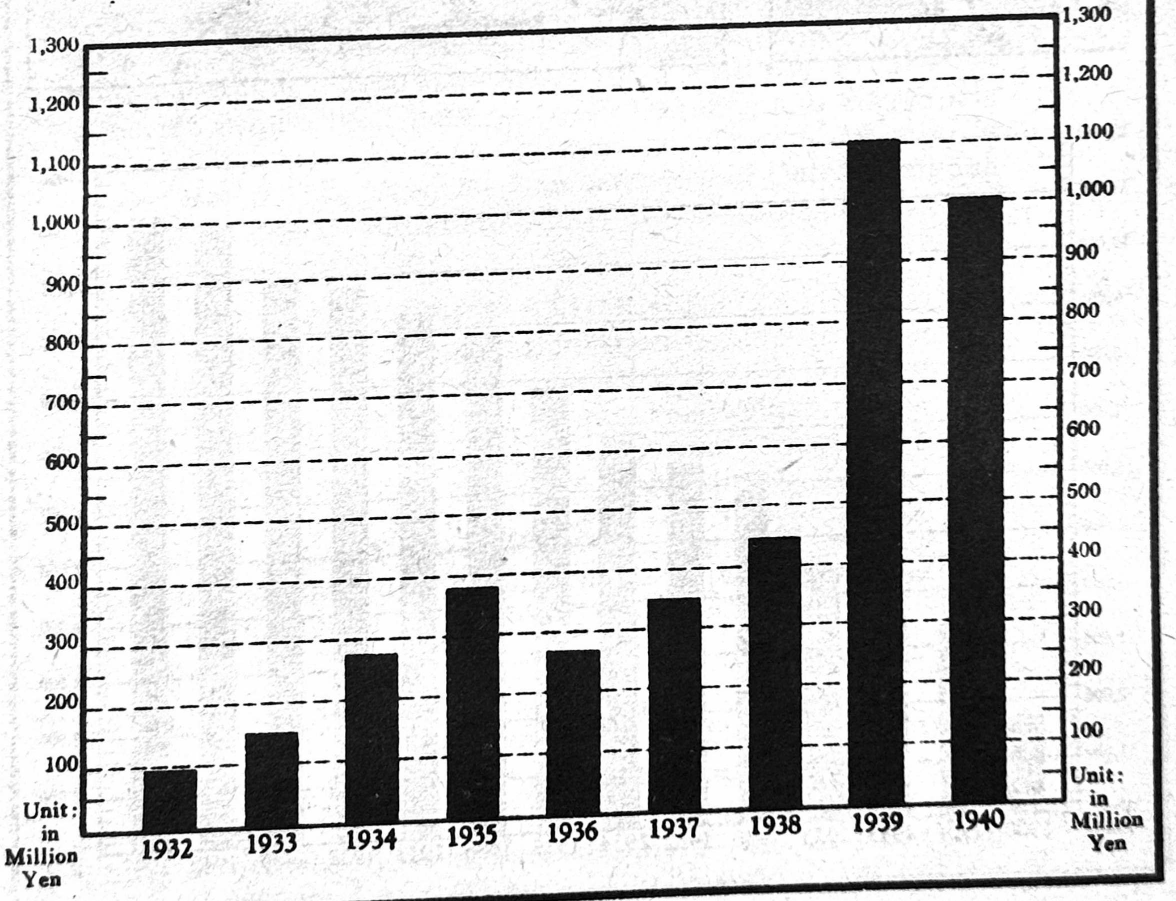
(Oct. 1940)

Japanese Investments Outstanding in Manchoukuo

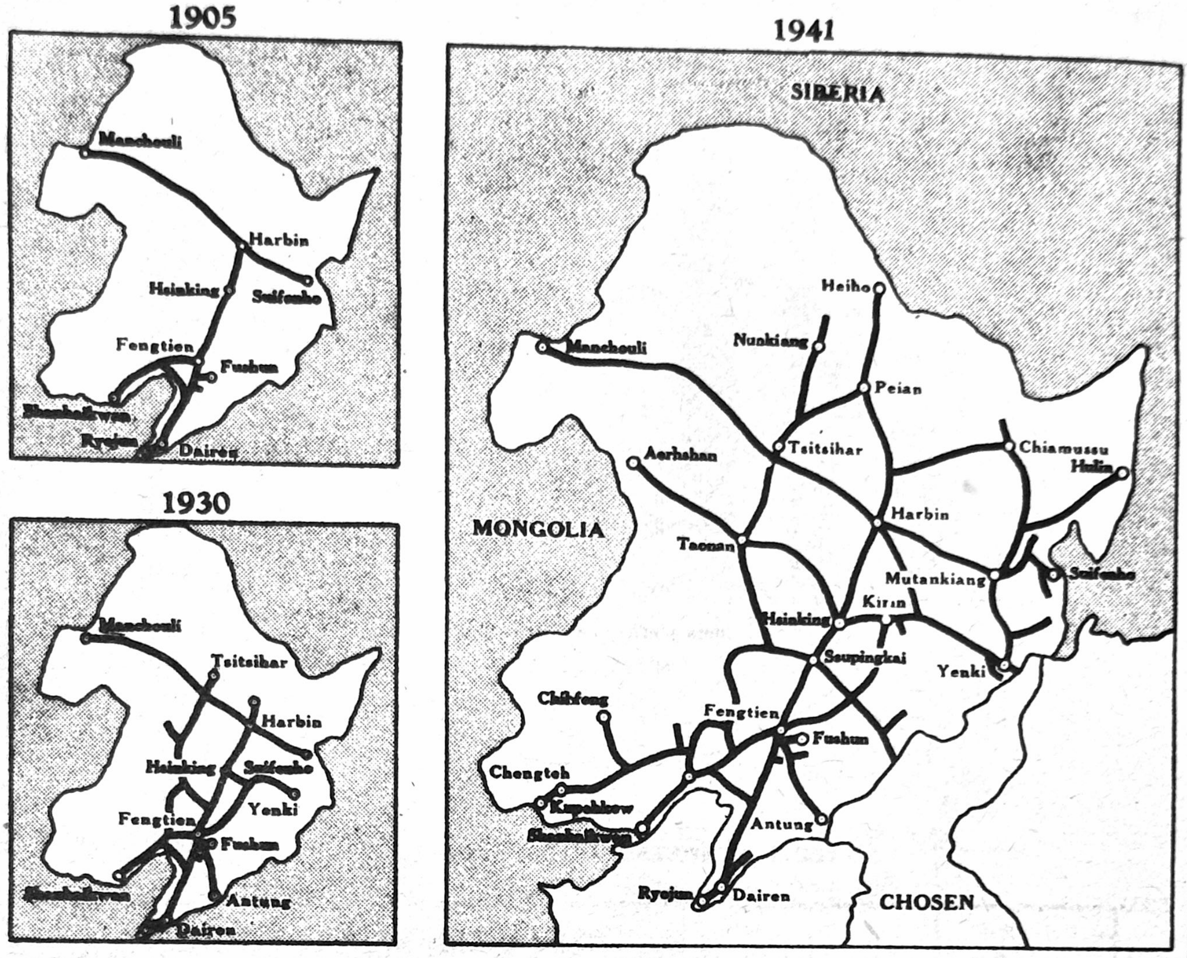
(For Period 1932-1940 Inclusive)

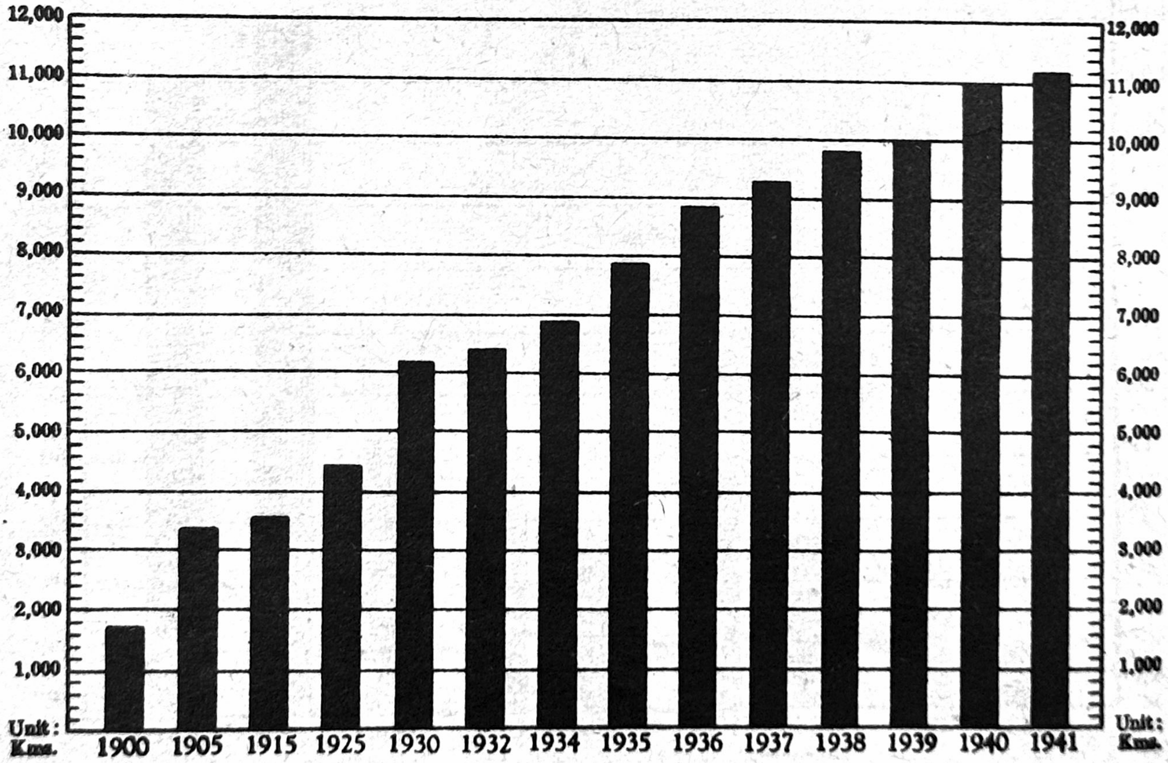


Trend of Investments Since 1932



STAGES IN MANCHURIA RAILWAY DEVELOPMENT


1905
Manchouli
Harbin
Hsinking
Suifenho
Fengtien
Fushun
Shanhaikwan
Ryojun
Dairen
1930
Manchouli
Tsitsihar
Harbin
Hsinking
Suifenho
Yenki
Fengtien
Fushun
Shanhaikwan
Antung
Dairen
1941
SIBERIA
Heiho
Nunkiang
Manchouli
Peian
Tsitsihar
Chiamussu
Hulin
Aerhshan
Harbin
MONGOLIA
Taonan
Mutankiang
Suifenho
Kirin
Hsinking
Ssupingkai
Yenki
Chihfeng
Fengtien
Fushun
Chengteh
Kupehkow
Shanhaikwan
Antung
Ryojun
Dairen
CHOSEN



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shih—Fuyu—Chientao—Tumen—Yenchi—Pinkiang—Harbin—Hulan—Suihua—Imienpo—Mutankiang—Suifengho—Ningan—Tungan—Sankiang—Chiamussu—Lungkiang—Peian—Noho—Tsitsihar—Anganchi—Heiho—Hsingan—Solun—Manchuli—Hailar—Arshan—Dairen.

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APPENDIX. WHO'S WHO 917–959

INDEX 960–971

Year Names and Equivalents

Japan		Manchoukuo	China	Christian Era
Since Foundation	Era		Minkuo (Republic)	A.D.
	(Taisho)			
2572	1		1	1912
2573	2		2	1913
2574	3		3	1914
2575	4		4	1915
2576	5		5	1916
2577	6		6	1917
2578	7		7	1918
2579	8		8	1919
2580	9		9	1920
2581	10		10	1921
2582	11		11	1922
2583	12		12	1923
2584	13		13	1924
2585	14		14	1925
	(Showa)			
2586	1		15	1926
2587	2		16	1927
2588	3		17	1928
2589	4		18	1929
2590	5		19	1930
2591	6		20	1931
		(Tatung)		
2592	7	1	21	1932
2593	8	2	22	1933
		(Kangteh)		
2594	9	1	23	1934
2595	10	2	24	1935
2596	11	3	25	1936
2597	12	4	26	1937
2598	13	5	27	1938
2599	14	6	28	1939
2600	15	7	29	1940
2601	16	8	30	1941
2602	17	9	31	1942
2603	18	10	32	1943
2604	19	11	33	1944

Weights, Measures and Moneys

(MANCHOUKUO)

Measures

Length

			(meter)
1 hao (毫)	=$\frac{1}{10,000}$chih (尺)		=$\frac{1}{30,000}$
1 li (釐)	=$\frac{1}{1,000}$chih (尺)		=$\frac{1}{3,000}$
1 fen (分)	=$\frac{1}{100}$chih (尺)		=$\frac{1}{300}$
1 tsun (寸)	=$\frac{1}{10}$chih (尺)		=$\frac{1}{30}$
1 chih (尺)	=		=$\frac{1}{3}$
1 chang (丈)	=10 chih (尺)		=$3\frac{1}{3}$
1 pi (引)	=100 chih (尺)		=$33\frac{1}{3}$
1 li (里)	=1,500 chih (尺)		=500

Area

		(sq. meter)
1 kung (弓)	=25 sq. chih (尺)	=$2\frac{7}{9}$
1 hao (毫)	=$\frac{1}{1,000}$mu (畝)	=1
1 li (釐)	=$\frac{1}{100}$mu (畝)	=10
1 fen (分)	=$\frac{1}{10}$mu (畝)	=100
1 mu (畝)	=9,000 sq. chih (尺)	=1,000
1 tien (天)	=10 mu (畝)	=10,000
1 ching (頃)	=100 mu (畝)	=100,000

Quantity

		(cu. meter)
1 tso (撮)	=$\frac{1}{1,000}$sheng (升)	=0.001
1 shao (勺)	=$\frac{1}{100}$sheng (升)	=0.01
1 ho (合)	=$\frac{1}{10}$sheng (升)	=0.1

		(cu. meter)
1 sheng (升)	=27 cubic chih (尺)	=1
1 tou (斗)	=10 sheng (升)	=10
1 tang (石)	=100 sheng (升)	=100

Weights

1 ssu (絲)	=$\frac{1}{1,000,000}$chin (斤)	=0.0000005kg.
1 hao (毫)	=$\frac{1}{100,000}$chin (斤)	=0.000005kg.
1 li (釐)	=$\frac{1}{10,000}$chin (斤)	=0.00005kg.
1 fen (分)	=$\frac{1}{1,000}$chin (斤)	=0.0005kg.

1 chien (錢)	=$\frac{1}{100}$chin (斤)	=0.005 kg.
1 liang (兩)	=$\frac{1}{10}$chin (斤)	=0.05 kg.
1 chin (斤)		=½ kg.
1 tan (擔)	=100 chin (斤)	=50 kg.

Moneys

10 li (厘) =1 fen (分)
10 fen (分) =1 chiao (角)
10 chiao (角)=1 yuan (圓)
(23.91 grs.of Pure Silver)
M. ¥1.00 (1 yuan) =1 G. ¥1.00 (Japan)

Coins

5 li (厘) (Copper)..................Weight 25 gr.
(Copper 95% Tin 4%, Zinc 1%)

1 fen (分) (Copper)..............Weight 3.5 gr.
(Copper 95%, Tin 4%, Zinc 1%)

5 fen (分) (Nickel) ....Weight 2 gr.
(Nickel 25%, Copper 75%)

1 chiao (角) (Nickel)...........Weight 3 gr.
(Nickel 25%, Copper 75%)

Notes

5 chiao (角)
1 M. ¥ (圓)
5 M. ¥ (圓)
10 M. ¥ (圓)
100 M. ¥ (圓)

CHAPTER I

GEOGRAPHY AND GEOLOGY

General Features

The state of Manchoukuo, forming the northeastern littorals of the Asiatic continent, is divided from China in the south by the Great Wall running westward from Shanhaikwan close to the Pohai Sea. In the north Manchoukuo borders on Russian territory with the long winding stream of the Amur as a natural boundary. In the east, it is walled in by the range of Changpaishan mountains running along the Korean border and stretches far up to the north bordering the Maritime Province. In the west its borders touch Outer Mongolia and Chahar Province of Inner Mongolia. Manchoukuo's area is approximately 548,000 square miles or double the area of Borneo or more than half the size of the Argentine Republic. It lies between latitude 38°40′ and 53°50′ north, and longtitude 115°20′ and 135°20′ east.

Table 1. POSITION, BOUNDARY AND COASTLINE

Position	East extremity	East Longitude	135°20′
	West "	" "	115°20′
	South "	North Latitude	38°40′
	North "	" "	53°50′
Boundary	....	8,438 kilometres (extension)	
Coastline	....	866 " "	

Manchuria is physiographically marked by three main mountain ranges; namely, the Hsingans, Great and Little, cutting the country from north to south through its northwestern section; the Changpaishan near the Korean boundary; and the Yinshan mountains fringing Jehol Province. Between these ranges lie extensive valleys of fertile soil, stretching from near the sands of Eastern Inner Mongolia in the southwest and the Gulf of Pechihli in the southeast and reaches up in the north to the basin of the Sungari river. The mountainous regions are rich in timber and minerals. Several great rivers running through the central valley, together with their numerous tributaries, serve not only to irrigate the areas through which they pass but also as a means of transportation. They are the Amur (Heilungkiang), Sungari, Ussuri, Yalu, Tumen and Liao rivers. Though frozen in winter, these waterways each play an important part in the commercial traffic in other seasons.

Geographic Factors of Manchurian Civilization

The development of Manchuria and the life of its inhabitants was largely governed by the following conditions of nature.

1. Its intermediate position lying between Japan on the east, China on the south and Soviet Russia and Mongolia on the north and the west;
2. Continental climate with comparatively dry weather prevailing;
3. Extensive plains forming a central basin in the country.

Because of its natural position, Manchuria from its early times developed as a neutral or buffer area. Its internal and external policies were always subject to currents outside its territory. The dry weather prevailing through the greater part of the year provided determinative conditions for agriculture, forestry and livestock raising. The great difference in climate between North and South Manchuria showed its effects on the different lines of primitive industries developed in those distinct parts of the country. The fertile soil of the central basin produced abundance of crops which fall into the five major kinds of soya beans, kaoliang, millet, Indian corn and wheat. On the grassy plains varieties of livestock were raised. The wealth of mineral reserves found also in these parts of the country, especially the coal and iron deposits, have given birth to branches of modern industry which are now in thriving conditions. The vast timber resources found in the mountain ranges walling in Manchoukuo, though they still remain unexplored for the most part, provide a highly encouraging outlook for Manchoukuo in the timber industry.

The influence of these conditions of nature is now visible in many lines of industry in the country. It is because of this that the extensive plains of North Manchuria produce soya beans which are the staple product of agriculture. Harvested, a large portion of this produce is brought southward to Dairen, Yinkow and other ports where argosies under many different flags come to carry it to Japan, Europe and America. The mineral wealth found in the region of Fushun and Anshan has brought forth large scale enterprises to turn it into the industrial center of the country. The steppes fringing the Hsingan mountains and the plains stretching out westward into Inner Mongolia have always been known for its abundance of livestock which give promise to play a role of increasing importance in the industrial structure developing in Manchoukuo.

Administrative Divisions

Manchuria, formerly called the "Three Eastern Provinces," comprised the provinces of Heilungkiang (Amur), Kirin and Fengtien. Jehol, Chahar and Suiyuan, constituting Inner Mongolia, were treated as an extramural or outlying district under the Manchu dynasty. After the fall of the Manchu dynasty, Chang Tso-lin, of Mukden, virtually maintained his authority over the Three Eastern Provinces and Jehol District, which forms the eastern part of Inner Mongolia. When the three districts of Inner Mongolia were raised to the status of separate provinces in 1928 by the Nanking regime of the day, Jehol Province was brought under the rule of Chang Hsueh-liang, Chang Tso-lin's son and successor, and the territory embracing Fengtien, Kirin, Heilungkiang and Jehol was after that called the "Four Northeastern Provinees". The administrative, judicial and military powers exercised by the Russians in the Chinese Eastern Railway zone were taken over by the Chinese authorities in 1920 and the zone was named the "Eastern Special District".

The four provinces above mentioned, including the Eastern Special District, were included in the independent state of Manchoukuo by the proclamation of independence on March 1, 1932, and the northwestern part of Heilungkiang Province and the northwestern part of Fengtien along the Hsingan mountain range, the regions mainly inhabited by Mongols, were formed as a separate administrative unit and called the Hsingan Province.

In December 1934 the four provinces and Inner Mongolia were divided into 14 provinces or administrative units and these were again divided into 16 provinces in July 1937 and into 18 in June 1939. In July 1941 another province, Ssuping, was added. It has an area of 29,000 square kilometers and a population of 3,000,000.

Table 2. AREA OF MANCHOUKUO

Province	Sq. km.	Province	Sq. km.
Fengtien	75,812	Mutankiang	32,961
Kirin	88,819	Heiho	109,813
Lungkiang	67,109	Peian	71,491
Jehol	66,585	Tungan	41,974
Pinkiang	63,863	East Hsingan	106,751
Chinchow	39,462	West Hsingan	80,410
Antung	41,974	South Hsingan	79,021
Chientao	29,830	North Hsingan	159,299
Sankiang	90,055	Hsinking Special Municipality	437
Tunghua	31,647	Total	1,303,437

Physiographical Conditions

Absence of high mountains and precipitous features of terrain are an outstanding physiographical feature of Manchoukuo. The Changpaishan mountains running from a southwesterly to a northeasterly direction through the southeastern section of the country provide, except Mt. Hakutosan (Paitushan) which is 2,344 meters high above sea level, a series of plateau generally lower than 2,000 meters. The Great Hsingan mountains, with their highest peak rising to 2,500 meters, form in other parts low tablelands. The Little Hsingan mountains extending through the northern section of North Manchuria from northwest to southeast generally form a plateau less than 1,000 meters high.

The plains walled in by these mountain ranges run 1,000 kilometers north to south, and 300 kilometers from east to west. The northern section of these Manchurian plains forms a series of tablelands about 200 meters high and are drained by the rivers Sungari and Nonni. The southern section of less altitude forms the basin of the river Liaoho. Thus, the plains gently slope down from north to south over a distance of more than 500 miles with no intervening object except for the low watershed running near Kungchuling, about 40 miles south of Hsinking, which forms a natural boundary between North and South Manchuria.

10 Local Divisions

Shusaku Tanaka, Japanese authority on Manchurian geography, divides the country in 10 divisions as follows:

1. District of the Liaotung Peninsula; the entire peninsula lying between the Yellow and Pohai Seas;
2. District of Liaotung mountains; mainly the mountainous area bordering the northeastern part of the peninsula and bounded by the Changpaishan on the east and the low range of Sahakiang mountains on the north;
3. District of Liaoho Basin; the larger part of the alluvial plain along the river Liaoho, forming an industrial center of South Manchuria, with abundance of agricultural produce and active industrial life.
4. District of Liaosi; the area to the west of the river Liaoho and the land bordering on Liaotung Bay; roughly speaking, forming a link between Manchuria and North China.
5. District of Upper Sungari; the area on the upper course of the river Sungari and the basin of the river I-tung.
6. District of Northeastern Mountains; the area forming the entire northeastern part of Manchuria from the Korean border up northward to the Soviet border.
7. Sungari and Nonni Basins; the area bordering the river Sungari from its middle course downward and the basin of the river Nonni; marked by the presence of rich black soil which has won for the locality the name of "the granary of North Manchuria."
8. District of West Liao Basin; the basin of the upper course of the river Liao known as Shiramuren, forming high plateaus, constitutes the greater part of this area, which also includes the regions drained by the upper reaches of the rivers Talingho and Lanho as well as the northern part of the Yinshan mountains.
9. West of Hsingan Mountains; the northwest of Manchuria lying to the west of the Hsingan Mountains, mainly consisting of the wooded area of the mountain range and the pasture land of Holunbuir.
10. District of Northern Mountains; the northernmost area along the river Amur.

MOUNTAINS

In Eastern Part

Changpaishan Range. This range consists of several chains running in parallel lines and cuts through the eastern part of Manchuria. With its tendency from southwest to northeast, it forms a series of watershed from which spring rivers like Yalu, Liaoho, Sungari, Tumenkiang. The northern section called Wantashan forms a divide on one side of which rises the Ussuri and on the other the Sungari. The southern end of the Changpaishan runs into Liaotung. The entire length of the range is given at approximately 1,300 kilometers and the highest peak, Changpaishan, is 2,744 meters above sea level.

Kirin-Hata Range. This system of mountains forms a western branch of the Changpaishan range, starting in the east in Mount Irhayafan, reaches as far as the river Liaoho in the west, touches Motienling in the south, and in the north reaches into the area lying between Changchun and Kirin.

Sahaliang Range. This range runs on the northern side of the Changpaishan system almost in a parallel line, starting from the east of the city of Mukden and extending to the south of Kirin. The highest peak is Chienshan noted for its fine scenery and ancient monasteries.

Laochangkwangling Range. This group may be regarded as a northern extension of the Sahaliang range. It originates between the city of Kirin and Tunghua and runs up in a northeasterly direction, its entire extension being 300 kilometers and the highest peak 1,721 meters in altitude.

In Northern Part

In this section of Manchuria most mountains are found close to the river Amur. The peaks forming a divide between the Amur and the Sungari are thickly wooded, with rich timber resources which remain mostly intact. Many volcanoes are found in this area.

Little Hsingans. The Hsiao Hsinganling or Little Hsingan mountains are marked with a tendency from north to south, though throwing out spurs east to west at many points. In these peaks rise many tributaries to both the Amur and the Sungari. The highest peak of the whole system, Mt. Ikokukota, stands some 1,800 meters above sea but the other peaks are less than 1,000 meters in height.

Ilohulishan Range. This range running east to west forms a link between the Little and the Great Hsingan mountains and a divide between the river Humar and the Nonni. The range is generally of low elevation, the highest peak, Orkuli, being some 600 meters in altitude.

In Western Part

Great Hsingan Mountains. This massive chain of mountains, cutting through the west of Manchuria, starts in the south in the Yinsan mountains, fringing the province of Jehol, and runs generally in a northeasterly direction through Inner Mongolia and between Jehol and Chahar Provinces and reaches northward almost within sight of the Amur. One of its northern branches connects further up with the Aldan heights. The entire length of the range is given at 650 kilometers. Although the highest point rises as high as 2,500 meters, the average height of the whole range is from 1,000 to 1,500 meters. Generally speaking, the range is higher in the south and falls in height as it proceeds northward, though it extends in width and forms at places in the north steppes 1,000 meters in width. The Hsingan mountains are marked with sharp and sometimes even precipitous features on the eastern side, but on the western side slope down at gentle angles and trail off into the plains of Inner Mongolia.

Sungling Mountains. This system of mountains forms a natural boundary between Liaosi and Jehol Provinces, its northern extremity reaching as far as the northwestern border of Fengtien Province. The length of the range is estimated at some 400 kilometers.

Liangyuan Mountains. This group runs across Jehol to the north of the Sungling chain, its extension being estimated at some 400 kilometers. These mountains seldom rise above 1,000 meters in height.

Yenshan Mountains. This range cutting through the westernmost part of Jehol Province generally runs parallel with the Great Wall.

to the west of Lake Buir-nor rise to an altitude of 750 meters and those to the south of Taonan to 360 meters.

COASTLINE

The coastline of Manchoukuo is extremely short, only a small portion of its southern area facing the Yellow and Pohai Seas. Even inclusive of the Kwantung Leased Province, the entire coastline is only some 1,100 kilometers. With all islands reckoned, the length is not more than 1,400 kilometers. The line running from the mouth of the Yalu in the east to Lienshan Bay in the west near Shanhaikwan is marked with but few indentations, there being few good anchorages.

The Liaotung peninsula projects between the Pohai and the Yellow Sea, its southern extremity being known as Kwantung Province. Chinchow Bay and harbors like Port Arthur and Dairen mark its coastal line. There are the Changshan group and other small islands off its shores, their number being more than 70. Tachangshantao, the largest of the Changshan group, some 20 in number, lying to the east of Kwantung Province, has an area of 34 square kilometers.

Chinchow Bay is a small inlet to the west of the town of Chinchow in Kwantung Province. The bay extending about 70 kilometers inward from its entrance is divided in two sections, the one to the north being called Adams Bay and the other to the south the Southern Bay.

Lienshan Bay. A small bay lying to the south of the town of Chinchow, on the western side of the Pohai Sea. This bay rose in importance after harbor construction was undertaken at Hulutao in 1930 by Chang Hsueh-liang and resumed in 1937 by the Government of Manchoukuo. The only port in Manchuria free from ice in winter, this port will be developed as an outlet for Chinchow and Jehol.

RIVERS

The Heilungkiang (Amur)

General Remarks. The Heilungkiang, or Amur, is one of the greatest rivers of the world, running through the north-eastern part

of Asia, and its drainage basin occupying a large area between the 46th and 54th parallels of north latitude and between the 113th and 141st meridians of east longtitude. Forming the boundary between Soviet Russia and Manchoukuo, the Heilungkiang flows eastward to the length of 4,426 kilometers and drains approximately 1,960,000 square kilometers, and occupies the 11th place in length and the 12th place in area among the rivers in the world. The name of Heilungkiang designates the section from the confluence of the Shilka and the Argun rivers down to its mouth. The Shilka, one of its headwaters, is a combination of the Onon River of Mongolia and the Ingoda River of Siberia.

Receiving waters of the Zeya and the Bureya on the way, the main stream of the Heilungkiang moves south-east down to Tungkiang where it joins the Sungari River, then turns its course north-east, and absorbing the Ussuri at Khabarovsk and the Amugun at a point near its mouth, finally empties into the Gulf of Tartary at the estuary port of Nijne Amursk. The name Heilungkiang means "Black Dragon River", and comes from the dark-green color of the water, called by the Chinese as "Heishui", by the Manchus as "Sahalienwula", by the Mongolians "Kolamulien" —all meaning black-green water. Others say, however, that the present name originated either from "Amur" (great river) of the Gilyaks or "Emur" (black river) of the Tunguse.

The production of placer gold in the drainage basin of the Heilungkiang is world famous, while forestry and farm products also abound. The river ports of Blagovyeshchensk, Ta-Heiho, Khabarovsk and Nijne Amursk are located at the important points on the river and stand at the center of the respective districts.

As it forms the boundary between Manchoukuo and Soviet Russia, the stream entirely divides the race on the right bank from that on the left bank, and the political interests of these nations are delimited by the Heilungkiang and the Ussuri.

The Heilungkiang and Its Tributaries

The Main Stream of the Heilungkiang. The Heilungkiang proper starts at the confluence of the Shilka and the Argun, but its headwaters are the Onon and the Ingoda. The Onon River starts from Mt. Kenteshan in Outer Mongolia and runs north-east to Onon Station on the Siberian Railway where it joins with the Ingoda. The Ingoda springs in the Yablonoi mountains and passes by Chita, where it turns its course south-east and finally forms the Shilka River with the Onon. At Lokuho the Shilka meets the Argun which comes up from the south to form the great Heilungkiang. The district in between the Onon from Mt. Kenteshan and the Kerulen from the same mountain is historically famous as the cradle of the Mongolian Kingdom. Measured from Lokuho, the length of the Heilungkiang is 2,894 kilometers, but it extends over 5,000 kilometers when the Onon and the Shilka included. The navigable length reaches 3,268 kilometers from Sryetensk down to Nijne Amursk.

(A) **The Argun, or the Headwaters.** The Argun actually constitutes the headwaters of the Heilungkiang, and forms the western boundary of Manchoukuo. The Argun has the Kerulen River as its headwaters above Lake Dalainor on the map. But according to a recent survey, Lake Dalainor absorbs the waters of the Kerulen and other small rivers, but does not drain its own waters to the north. If this is true, the Kerulen cannot be taken for the headwaters of the Argun.

The Argun receives the waters of the Hailar River, then runs up to the north and meets three rivers—the "Haur, Delpur" and "Gan," which drain the so-called Three River District embracing the vast pasturage of the Russians. The length of the Argun is 1,270 kilometers, and 969 kilometers of it is navigable by light craft, the depth being from 0.6 meter to 6 meters. The raft may be used for another 140 kilometers.

The Heilungkiang proper may be divided into three main sections of navigation, i.e. the upper stream from Lokuho to Blagovyeshchensk, the middle stream from Blagovyeshchensk to Khabarovsk and the lower stream from Khabarovsk to Nijne Amursk.

(B) **The upper stream (from Lokuho to Blagovyeshchensk).** In the section from the confluence of the Shilka and the Argun to Albazin the course is narrowed by the mountains of the Great Hsinganling range and pushes eastward through high banks covered with coniferous woods. At Albazin the stream emerges from the woodland and turns its course to the south-east. For a certain stretch, the stream is still narrow and the current is torrential with shallows at several points. Below Albazin it parts from the mountains to a considerable distance and is divided into several streams with islands covered with tall trees in between. Such condition persists until it joins the Humaerhho. In the vicinity of the confluence, the Hsinganling mountains again press hard toward the right bank of the river, but recede from it at the point near Heiho and Blagovyeshchensk. The 827 kilometers from Heiho up to Moho allow the passage of steamships, while smaller boats may sail up to Kilalin.

(C) **The middle stream (from Blagovyeshchensk to Khabarovsk).** For Manchoukuo, the middle stream of the Heilungkiang is the most important section for navigation. The river joins the Zeya at Blagovyeshchensk and gathers the waters of many small effluents within the distance of 320 kilometers down to the confluence where the Bureya River joins it. The banks are mostly high and precipitous with a height of 5-10 meters from the surface of the water, and the stream is so deep to the brink that steamers may be moored alongside at various points. The width of the stream is from 800 to 2,000 meters at some places; the depth averages 10 feet and the speed is about 6 kilometers per hour. The district on the left side; that, on the Russian plain, is moorish for 60 kilometers below Blagovyeshchensk, especially in the section where small rivers empty into the Heilungkiang. Where the stream passes the mouth of the Bureya are the Buregensk mountain range and the Small Hsinganling range. The stream runs winding through the valley between these two mountain ranges to a distance of 160 kilometers. Huge rocks baffle the current which whirls at many places. The bank are formed by the precipices of the mountains, leaving but small patches of flat land here and there. This section boasts of the most beautiful landscape in the whole length of the river. The hills, from 60 to 90 meters in height, erect pyramids or cones covered with a carpet of green grasses on both sides of the river. Forests of the oak, larch and pine give a high scenic effect to the general view of the valley, especially in the fall when the leaves change colors. The speed of the stream is from 4-5 knots. As the stream comes out of these mountain ranges and approaches the point where the Sungari River joins, one notices a change in the topography. The river now assumes a greater dimension in width. Below Tungkiang the lands on both sides become flat, rich plains. The river flows quietly through the vast plains, almost nothing standing in the field of vision, except beacons or lone Buryat shepherds. The width of the river is wide, and many islands raise their heads on the water.

(D) **The lower stream (from Khabarovsk to its mouth).** Below Khabarovsk, the Amur pushes its course due north through the boundlelss swampy plains of East Siberia. In this section, there lies no large town on either bank, but hamlets of Russians or Koreans. The Amur absorbs the waters of the Amugun at a point near its mouth, and then finally empties itself into the sea at Nijne Amursk.

Tributaries of the Heilungkiang

The Heilungkiang is fed by innumerable streams on its long way, the number of its effluents utilized more or less for transportation reaching 130. Explanations of the important ones follow:

Tributaries in the territory of Manchoukuo. All the rivers of North Manchoukuo, which drain the area north of the Small Hsinganling range, belong to the drainage basin of the Heilungkiang. They are small rivers, fordable under normal conditions. The volumes of water of these rivers vary according to rainy and dry seasons; a small river barely discernible in the dry season rises in flood, rushes down in torrents after but two or three rainy days, and then returns to its former state after one or two sunny days. No riparian work has ever been tried for these streams which change courses as they like. Consequently their banks are liable to be overflowed at any time and threaten the district with floods.

(a) The Fumaerhho. The upper stream of the Fumaerhho winds swiftly through large forestry lands, and huge rocks prohibit even the use of rafts. The section from Chinshanchen to Hsinglungkou is specially dangerous. The district drained by the river is famous for its gold mines.

(b) The Sunho. The river passes by Sunho-hsien to the east and empties into the Heilungkiang. It is unnavigable and has fords at Wuchiawo.

(c) The Sungari. The greatest tributary of the Heilungkiang combines the Second Sungari which starts from Mt. Changpai on the border of Chosen and the Nunkiang which comes down from the Great Hsinganling range, and, absorbing the waters of North Manchoukuo, flows to a length of 1,927 kilometers through the drainage basin of 520,000 square kilometers. Traffic on the river is most properous. (See the foregoing section dealing with the Sungari.)

Tributaries in Soviet Russia. (a) The Shilka River. The Shilka is a combination of the Onon which starts in Outer Mongolia and runs to the north and the Ingoda which passes west of Chita. The watershed on the plateau of Yablonoi divides the waters into the tributaries of the Lena River of Siberia to the north and the tributaries of the Heilungkiang to the south. The Ingoda is one of the latter. The Shilka meets the Argun at Lokuho, after running over 1,198 kilometers, it being navigable for 557 kilometers. The stream below Sryetensk becomes slow and wide enough for steamers, while rafts may be floated on another stretch of 213 kilometers. The land along the upper stream has mountains covered with forests, mostly of pines.

(b) The Zeya River. The river is the largest of the tributaries of the Heilungkiang on its left side. It springs in the Yablonoi range, runs down to the south, gathering the waters of various tributaries on the way, and empties into the Heilungkiang at Blagovyeschchensk. Misled by the wideness of its mouth and the direction of the Heilungkiang at the confluence, the natives of the district once took the Heilungkiang for a tributary of the Zeya.

The width of the Zeya at its mouth is from 800 to 1,400 meters, the upper stream having a width of 200-600 meters. The depth is from 4 to 6 feet, and the length 1,282 kilometers, of which 1,132 meters is considered to be navigable. Safe navigation is possible up to the town of Zeya, and it may be extended still further up to Pomnark via Danbuki in the high-water season. The speed averages 4 kilometers per hour, but, at the iron bridge of the Siberian Railway, the stream narrows, the speed increasing to 8 kilometers. Navigation is safe in general, except for the section between Zeya and Danbuki, where the stream is torrential at several points.

The drainage basin of this river is rich in gold, being famous for its production of placer gold. The transportation on the river is, therefore, mostly for the conveyance of goods for the gold mines. When it freezes in winter time, the waterway is transformed into a sled traffic course.

(c) The Selemdja. The tributary of the Zeya has a length of 700 kilometers. At the confluence with the Zeya, it is 500-700 meters wide and about 4 feet deep. Shallows abound in its course, but small steamers may sail up to Uschinor for 200 kilometers, while launches may go up to Stiba and boats up to the gold mine district of Ekitsitsian. The river freezes any time from the middle of October to the beginning of May.

(d) The Tomi River. Another effluent of the Zeya is the Tomi which flows through the vast plain on the Russian side of the middle stream of the Heilungkiang from the east to the west and empties into the Zeya at a point 50 kilometers west of Bochikareu Station. The width measures 200 meters at its mouth, 180 meters at the said station, the depth averaging 3-4 feet. The land along the stream is mostly moorish, and the roads are flooded over in the rainy season, stopping traffic on most of them. On the contrary, traffic is free in winter time on the frozen roads and river.

(e) The Bureya River. This river springs at the western slope of the small Hsinganling and in the Bureyensky mountain range. The mountains which form the watershed of the Bureya are cone-shaped with bare rocks on the tops. The watershed is a plateau of 200-300 meters above sea-level, and its gorges are precipitous, granite cropping up at the slopes. As the mountain brooks approach to the main stream, the height of the banks becomes lower, surrounded by round hills. In the district north of Chekunda flat openings are seen in the forests, and many small streams flow through it forming pools at various points. The Niman, an effluent of the Bureya is actually larger than the main stream near the confluence. The length of the Bureya is 675 kilometers, but it hardly allows a safe passage of vessels, unless guided by experienced pilots of the "Yakute" or Korean race. Gold miners are often drowned in its torrents.

The River Ussuri

The Ussuri is the next great tributary of the Heilungkiang. It combines two rivers of the Daubi (275 km.) and the Ura (55 km.) which start from the southern arm of the Shikhota Alin mountain range. It runs northward to the point where it joins the Sungachaho, another tributary, and continues its course along the 134th meridian of east longtitude, forming the border line between Manchoukuo and Soviet Russia, until it dischages itself into the Heilungkiang at Khabarovsk. It carries a great volume of water, draining approximately 100,000 square kilometers of area.

The first effluent of the Ussuri is the Sungachaho. Starting at a point east of Lake Hsingkaihu, it runs into the lake from the west, and, emerging out of it, pushes eastward to meet the Ussuri. It has a length of 288 kilometers, and is 2.5-3.5 meters deep, and 38-53 meters wide. The district along the river is low and moorish, with many pools and rivulets, while dry lands are covered with grasses good for hay.

The second tributary is the Mulingho which runs by Mulin and has a length of 435 kilometers. Rafts may be floated on the stream in the high-water season. The basin is covered with shrubs, although some good lumber trees are seen standing occasionally. The third is the Naoliho which runs over 400 kilometers and empties into the Ussuri at a point south of Tunganchen. There are two other effluents in Soviet Russia, i.e. the Khor and Bikin, 400 km. and 450 km. respectively; the former is well known as a fishery of salmon.

Facilities and Riparian Works in the Waterway of the Heilungkiang

Facilities for the Safety of Navigation. As mentioned in the foregoing paragraphs, the Heilungkiang has a length of 4,426 kilometers measured from its headwaters, and is the second largest river in the Far East, the largest being the Yangtze River. The main stream is wide enough for the sailing of steamers up to Kilalin. The principal section for navigation is 1,600 kilometers between Moho and Tungkiang where it allows the passage of a steamer of 600 tons, with the minimum width of 50 meters and the maximum over 2 kilometers, while the depth measures 10 meters in the deepest place. In the long course, however, there are many place where sediments from shallows, including the shoal of Ekaterinonikorisk, 25 Russian miles in length.

In order to execute riparian works to ensure navigation, the

Russian Government established the Amur Navigation Administration Bureau at Blagovyeshchensk in 1917, just before the outbreak of the Revolution. In 1918, when Chinese vessels began to undertake the navigation enterprise on the river, the Russian Government proposed to the Chinese authorities a scheme of co-operation, requesting the latter to bear half of the expenses for riparian works and supply boats and material for operation. On June 27, 1922, the first agreement on the waterway was concluded between the interested parties, and the improvement work for the section of 1,865 kilometers between the confluence of the Shilka and the Argun and Kazakevich where the Ussuri and the Heilungkiang meet was commenced by a joint waterway commission. The agreement has been revised several times since. But the joint commission was after all dissolved, and China organized her own commission to bear a fixed sum of expenses on her part and entrust Russians with the work of erecting beacons and light-houses along the Heilungkiang.

In order to obtain funds for the river improvement works under the first agreement, the Chinese Government set up a custom house and imposed customs duties on the trade goods and passengers passing the Heilungkiang. On the founding of Manchoukuo, the custom house was transferred to the new State and on July 1, 1933, the business of the custom house was taken over by the Navigation Bureau of the Government of Manchoukuo, and, at present, it is carried on by the Harbin River Transportation Bureau.

Between 1922 and 1931, there were erected 1,574 beacons and 1,338 pharos along the Heilungkiang.

Watercourse Agreement between Manchoukuo and Soviet Russia. Negotiations for the conclusion of an agreement on the watercourse of the Heilungkiang between Manchoukuo and the Soviet Union were commenced, on June 28, 1934, between the Manchoukuo delegate Kuei Hung-ping, Consul at Blagovyeshchensk and the Russian delegate Meteritssar, director of the Amur Shipping Bureau. They met 15 times and at last succeeded in signing a new agreement between the two countries on September 4, 1934. Two days after, the Foreign Department of Manchoukuo issued the following statement in connection with the agreement: "The Harbin River Transportation Bureau of Manchoukuo and the Amur Shipping Bureau of Soviet Russia concluded the following agreement with the purpose of improving cooperatively conditions for navigation on the rivers of Argun, Heilungkiang, Ussuri and Sungacha, and Lake Hsingkaihu, in accordance with the provisions of the agreement."

The Agreement on Waterways between Manchoukuo and the U.S.S.R.

Article I. The sailing of vessels of the contracting parties on the rivers and lake mentioned above shall be free according to the courses directed by the beacons jointly erected on the rivers and in strict observance of the table affixed and regulations sanctioned by the contracting parties.

Article II. In order to maintain the best possible conditions of navigation on the watercourses stated in Article I and to jointly carry works for the maintenance and erection of necessary beacons, for digging, dredging, etc. the contracting parties agree to organize a joint commission of engineering composed of 8 members and represented by even number, one of whom being chosen as chairman for each. Regulations for the organization of the joint commission of engineering will be prescribed separately.

Article III. The joint commission of engineering shall draw plans and make estimates of expenditure for the execution of the above stated works, supervise the works and settle the accounts.

Article IV. The expenses for the members of the joint commission of engineering and technicians in employment shall be borne on each side for their own men.

Article V. The contracting parties will conduct and supervise separately the work of erecting beacons on their own bank, but dredging, digging or similar works in the watercourses shall be conducted jointly.

Article VI. When any question arises in regard to the application of the provisions of the agreement or the regulations of the joint commission of engineering, the solution of such question shall be made by a special committee. The special committee will consist of 4 members, chosen by each contracting party in equal number. The decision of the special committee is final.

Article VII. The contracting parties will help each other, in case of need, for the execution of riparian works stated in Article II.

Article VIII. The contracting parties shall take necessary measures for the protection of facilities for navigation stated in Article II.

Article IX. The agreement shall enter into operation on the day of signing and remain in force for two years, after which either of the contracting parties shall have the right to terminate it separately at any time on giving three months' notice to that effect.

Upon such notice, the contracting parties shall call a conference for the conclusion of a new agreement.

Article X. The agreement is done in duplicate and signed by each contracting party, and two copies are kept in the custody of each contracting party.

On April 20, 1936, committees of both parties were called to a conference for the formation of the regulations of the joint commission of engineering and practical plans of riparian works on the Heilungkiang.

Conditions of Traffic

Term for Navigation. It is the freezing of the river that mostly disturbs the watercourse of the Heilungkiang and limits its term for navigation. The length of the ice-bound season varies according to years. It is approximately 200 days on the average, between the last ten days of October and the middle of May, leaving only 165 days for safe voyage of vessels on the stream. The duration of the term open for navigation as observed at Heiho in 1933, 1934, and 1935 was as follows:

Table 4. DURATION OF NAVIGATION ON HEILUNGKIANG

	Opening of the River	Beginning of Drifting of Ice	No. of Navigable Days
1933	May 12	October 30	171
1934	May 13	October 25	165
1935	May 11	October 25	167

The volume of water carried is greatest at the time of thaw, and decreases in June and July, specially in the upper stream. In the rainy season of August and September, it again rises to flood, and then begins to recede toward the end of October when navigation on the upper stream closes.

Sections of Navigation and Vessels. As mentioned in the Section on the Sungari, the shipping business on the Heilungkiang comes under the jurisdiction of the North Manchuria River Transportation Bureau. The sections of services on the river are as follows:

Table 5. NAVIGABLE SECTIONS

Sections	Distance in km.	No. of Steamers under Service
Harbin-Heiho	1,418	5
Fuchin-Heiho	795	2
Heiho-Moho	827	2
Moho-Kilalin	499	2
Harbin-Hutou	1,285	5
Fuchin-Hutou	663	2
Hutou-Mishan	335	1

The steamers used are of 600-1,000 tons, being either passenger boats or passenger-cargo boats, running with water-wheels affixed at the sides or the stern peculiar to North Manchoukuo.

The Future of Navigation on the Heilungkiang. Navigation on the Heilungkiang is yet undeveloped. The transportation business carried on this side of the river was commenced by the Shutung Shipping Corporation of the Chinese in 1918 and has had hard experience, conducted as it were, by the prevailing governments or private companies with no visible progress. The causes of the failure may be found in the fact that the opened term is but 165 days in a year, in the imposition of high duties on the goods shipped from Harbin, in the central market city in North Manchuria, and in the breach of agreement on the part of Russians. But the fundamental reasons must be sought in the undeveloped economic conditions and naive civilization among the inhabitants in the drainage basin of the Heilungkiang, which lacked power to promote modern industries in the area, and in the suspension of trade with the Soviet Union.

The unreasonable taxes and duties formerly imposed by Chinese governments on the goods shipped in North Manchuria were adjusted by the North Manchuria River Transportation Bureau. But the future of the shipping business on the Heilungkiang largely depends on the cessation of illegal actions on the part of Russians, the recovery of trade between Manchoukuo and Soviet Russia and the restoration of peace in the region. In recent years, the natural resources preserved in the districts along the upper stream of the Heilungkiang have called the attention of enterprisers who are actually making efforts for their exploitation, and the Manchoukuo-Russian trade will eventually be restored to normal conditions in the near future.

The Peian-Heiho railway line which was completed on December 25, 1934, and connects the upper drainage basin of the Heilungkiang with Harbin may have some effect against the shipping business on the river. Since this railway, however, was opened for promoting exploitation of natural resources in the northernmost frontier of Manchoukuo, it will prove advantageous rather than harmful to the transportation business on the river, because the land and water transportations have their own merits or specialities and may help each other to make contributions for better traffic in North Manchoukuo.

Goods shipped from North Manchoukuo are of voluminous articles, such as cereals or timber, and watercourses are better utilized than railways for their transportation. Moreover, the construction work of Heiho wharves was completed in the autumn of 1935. The wharves are directly connected with the terminal station of Heiho by rails to enable a complete connection of land and water transportations in the district. The future of shipping business on the Heilungkiang is therefore highly hopeful.

Sungari River

The Main Stream and Effluents. The main stream of the River Sungari starts from Lake Changpai. This lake is situated on Mt. Changpai which stands high on the boundary between Manchoukuo and Chosen. The stream joins the Erhtaokiang and running north-west through the gorge of the Changpaishan mountain range, absorbs the waters of many small tributaries and reaches Kirin, from whence it advances into the valley of North Manchuria. At a point east of Hsinking it takes in the stream of the Itungho, and unites with the River Nunkiang, the largest tributary, at a point a few miles north of Fuyu where it suddenly turns its course north-east. There it forms the boundary between Kirin and Pinkiang province. After passing through the city of Harbin and gathering the waters of the Mutankiang and other tributaries on the way, it reaches the town of Tungkiang, where it finally joins the River Amur.

The length of the Sungari is 1,927 kilometers, excluding tributaries. The Sungari forms the main artery of trade by water in North Manchoukuo, the total area of its valleys reaching 523,000 square kilometers, or one-fourth of the total area of the country, in the bosom of which rich stores of agricultural, forestry and mining products lie in abundance and the principal marts such as Kirin, Kuyushu, Hsincheng, Fuyu, Chaochow, Harbin, Hulan, Moulan, Chiamussu, Fuchin and Tungkiang are located.

It is one of the two important rivers in Manchoukuo, the other being the River Liaoho in South Manchuria. Its larger tributaries are the Nunkiang, the Lalinho, the Ashihho, the Hulanho and the Mutankiang.

Natural Conditions

Climate in the Valleys of the Sungari. Temperature widely fluctuates according to seasons; frost occurs at the end of September and thin ice covers the surface in October. One degree below zero persists through the six months from November to April, during which the streams of the Sungari are ice-bound, allowing no navigation. In June the temperature abruptly rises, the maximum heat being 35° C. in July and August.

The rain and snowfalls, which feed the streams, amount to an annual average of 1,000 mm., the bulk of which falls during the summer months of July and August. It generally begins to snow at the latter part of October and ends in the middle of April, the thickness being about one foot on the plains and from two to four feet in the mountainous regions.

Rise and Fall of Water. The River Sungari is fed by rain springs, and the rise and fall of the stream is precipitous. The water is shallow in general, falling below two feet at low water. One often hears of heavily loaded boats being held up for many days by an unexpected appearance of shallow-water in places. The water rises in spring when the snows on the mountains melt, as well as during the rainy season of summer.

Term of Navigation. The term of navigation extends for six months from May to October; the ice begins, as a rule, to bind the stream some time between October 27 and the end of November and to free it sometime between April 1-24.

The ice melts between March 26—April 3 at Kirin, and at the end of April at Tungkiang, at the mouth of the Sungari. The average for the past five years indicates that the river at Harbin is ice-free for 230 days a year, the shortest being 221 days and the longest 240 days. As there is the danger of drift-ice in the days of freezing or thaw, however, it may be safe to say that the river is open for traffic at Harbin for no more than 200 days in a year

Nature of the Bed and Banks. The river bed of the Sungari is entirely composed of sand or clay, containing no rocks. The sand, thrown down from the banks and carried down by its effluents, buries the bed of the main stream, forming shallow-waters at various points to hinder the free passage of vessels, especially in the low-water season. Some shoals allow passage in a zigzag way, but ships often run aground. To make the matter worse, the high shoals at Fuyu often change position by the effect of the streams of the Itungho and the Yinmaho, which empty large quantities of sand into the Sungari.

The banks of the Sungari are of earth or the layer of sand, and are very low, making the demarcation between the land and water altogether uncertain. At places, there is actually no bank, the stream flowing as wide as it likes. Most of the banks are left natural, with no riparian works. The high-water or floods, therefore, freely carry and heap sands. Riparian works are completed in the sections at Harbin, Kirin and Lienkiangkou, but in other sections, the banks may fall easy victims to floods.

Navigable Length. The navigable length of the Sungari for steam boats reaches 1,662 kilometers consisting of;

Table 6. NAVIGABLE LENGTH OF SUNGARI

Harbin —Chiengchiao	508 km.
Harbin —The junction of the Sungari and the Amur	696 km.
Sanchakou—Kirin	458 km.
Total	1,662 km.

No investigation has yet been made on the length of the river navigable for junks, but it is estimated at over 2,000 kilometers, including the tributaries.

Depth of the Stream According to Sections. (A) From the fountainhead to Kirin. The length in this section comprises 595 kilometers. Navigation is impossible because of the rapids in the mountains, except for casual voyages by steamers of light tonnage.

(B) From Kirin to Sungari Station. The length is 219 kilometers; the depth in the high-water season is from 5 to 15 feet, and in the low-water season from 2.7 to 8 feet; the width is from 15 meters to 800 meters, differing according to seasons; and the speed of the current is from 40 to 90 meters per minute.

(C) From Sungari Station to the confluence of the Sungari and the Nunkiang. The navigable length extends to 194 kilometers; the depth being from 4 to 8 feet in the high-water season and as low as 2 feet in the low-water season; the width is from 350 to 2,200 meters; the speed is 35-55 meters per minute.

(D) From the said confluence to Harbin. The length 324 kilometers; the depth 5-8 feet and below 2 feet; the width 370-2,000 meters; and the speed 37-90 meters per minute.

(E) From Harbin to Tungkiang. In the section from Harbin to Sanhsing which extends over 27 kilometers with a depth of 3-4 feet, dredge work has been carried out in recent years to effect safe navigation. The section from Sanhsing to Tungkiang has a length of 685 kilometers; the depth 7-30 feet with shallow-waters at various points; the width about 375 meters; and the current is very slow.

Conditions of Main Tributaries. (A) **The Nunkiang.** The Nunkiang takes its rise at the southern base of Mt. Ilohulishan, and flows a length of 1,090 kilometers till it meets the Sungari at a point north of Fuyu. The width is 150-420 meters in the upper stream and 380-900 meters in the lower stream, affording navigation up to the town of Nunkiang. The depth is from 2 feet in the low-water season to 30 feet in the maximum in the high-water season; the current is very speedy with two big waterfalls in the upper stream, allowing no navigation; a little navigation is possible down to Tsitsihar, but the lower stream allows the passage of steamers of light tonnage.

(B) **The Mutankiang.** The source of the river is at Mt. Mutanshan of the Changpaishan range, and the stream runs northeast over 670 kilometers down to Sanhsing where it joins the Sungari. It is about 150 feet wide at Ningan and 720 feet wide at its mouth. Under normal conditions the depth measures 3-5 feet, the deepest point measuring 35 feet.

(C) **The Hulanho.** The Hulanho starts at the southern slope of Mt. Folunshan and runs due south over 410 kilometers till its water is received by the Sungari at a point 23 kilometers below Harbin. The width is from 125 to 160 meters in the low-water season in the section from Hulan to its mouth. The depth is from one to 10 meters.

(D) **The Lalinho.** It starts at Mt. Lanlingshan and flows over 360 kilometers to empty finally into the Sungari.

(E) **The Ashihho starts in the hills near Pin-hsien of Kirin.** The length is 188 kilometers, and navigable only for junks for 50 kilometers, the depth being 2 feet under normal conditions.

Navigation on the Sungari

The Sungari River is navigable to the length of 1,332 kilometers from its mouth up to Kirin, the lower stream being navigable by steamboats. The middle stream is also navigable in the daytime, but navigation at night is rather dangerous owing to lack of facilities. The upper stream is almost unnavigable, being too shallow in the section where it flows through the plains. In the mountainous region navigation is possible to some extent, there being deep places here and there. The best section for navigation is the lower stream which has a width of 200-300 meters, although there are some places where it is less than 100 meters. In the high-water, steamers can sail freely all through the unfrozen season; in the low-water, even vessels drawing 4 to 5 feet may sail for three-fourths of the unfrozen season. The current flows slow in this section with a speed of 3-5 kilometers per hour. Facilities for navigation are complete for a safe voyage of steamers and larger junks.

Historical Survey of the Sungari

Navigation on the Sungari by the Russians. The first historical record of navigation on the Sungari is for July, 1858, when Count Murabijov Mamurvsky, the Russian Governor-General of the Far East, on his way back from his mission after concluding the Aigun treaty, voyaged on the Sungari to a distance of 21 kilometers up from Tungkiang, then to Sanhsing to make an investigation of the water course. Since that time several surveys were conducted by the Russian Government along the water courses in North Manchuria, and rich natural resources in the area exploited. The Russian influence gradually made itself felt along the Sungari valleys. When the construction of the Siberian Railway was commenced, the Russian Government found it convenient to obtain wheat produced in the valley for its workers and soldiers, and in 1897 opened a course on the river with steamers of the Heilungkiang Steamship Company and others. On July 2, 1898, Russia succeeded in obtaining the rights of navigation on the Sungari from the Chinese Government for the purpose of conveying materials for laying the Chinese Eastern Railway in the district. When the Boxer Uprising broke out in 1900, the Russians invaded North Manchuria and the valleys of the Sungari and its tributaries were completely occupied by the Russian Army. A regular service on the Sungari was opened by the Russians in 1908 for both passengers and goods.

Navigation by the Chinese. The aggressive actions of the Russians in North Manchuria aroused the attention of the Chinese Government, and, in 1907, Hsu Shih-chang, the Governor-General of the Three Eastern Provinces of China, made a trial to compete with the Russians on the Sungari with a number of steamers, but in vain. Measures were taken by the Chinese Government for the recovery of the traffic rights on the river, but they all failed. The Chinese Government had a chance to retrieve them in 1917, when the Tsarist Government was overthrown by the Soviet Revolution. Russian shipowners began to sell their vessels to the Chinese, while steamship companies of Japan and other countries were not slow to seize the opportunity. Many Chinese steamship companies were established and the Chinese power on the Sungari became strengthened. The Chinese Government prohibited shipping by Russians on the Sungari in the section between Kirin and Laohsiaokow in June, 1920, and then closed the whole length of the river against navigation by foreign vessels. The Russian power on the river was completely expelled in August, 1926, when the Chinese Government compulsorily recovered quays and vessels belonging to the Shipping Department of the Chinese Eastern Railway of Russia from the Soviet. But the Chinese have had hard experience since. The Jung-Tung Corporation was established immediately after the Russian Revolution of 1917, and was declared insolvent in 1927. Then there followed the establishment of the North-Eastern Shipping Board which was also stagnant. In December, 1926, a syndicate was organized by various shipping companies in the name of the North-Eastern United Shipping Board in order to unify the traffic business on the Sungari. The number of vessels in the possession of the syndicate reached 140, including 53 steamers. The purpose of unification, however, was unaccomplished and in the spring of 1931 the syndicate was enlarged, as a result of a conference of 36 shipowners and the said board. This syndicate met with unsurmountable difficulties; for soya beans, the main article of trade on the river, found their way to Khabarovsk on account of a raising of freight rates by the syndicate. It was dissolved in August, 1931, after having existed for only several months. During the years 1931-1933, services were done by private companies and the government, but, in 1932, private shipping companies were compelled to stop their services on account of political disturbances in North Manchuria. Later, a temporary Sungari Transportation Commission was formed under the auspices of the Japanese Army. In July, 1932, the Commission was dissolved and its work was taken over by the South Manchuria Railway Company.

Present Status

With the founding of the new State of Manchoukuo in 1932, the inland water transportation underwent a radical change. The activities of commercial ships began to flourish, with Harbin as their center.

On February 9, 1934, the Government of Manchoukuo entrusted the South Manchuria Railway Company with the sole management of the governmental shipping business in the country, together with the supervision of railways and ports. On March 1, the South Manchuria Railway Company established the General Directorate of Railways at Mukden and the office commenced shipping services on the rivers in North Manchoukuo with government vessels entrusted. On April 12, a syndicate of shipowners was formed under the name of the Harbin Federation of Shipowners and it was recognized by the Government. The syndicate consisted of all public and private shipping enterprisers who possessed large numbers of steamers and lighters, and the old office building of the North-Eastern Shipping Board in Harbin was made the headquarters of the Federation. The annual volume of water transportation carried by the Federation reached 900,000 metric tons of goods and 600,000 passengers.

In the meantime, the State control of all branches of transportation has been strengthened for national defence and for a quick exploitation of forests and natural resources under the Five Year Industrial Plan, and the complete control of river transportation by the State was necessitated along with that of transportation by railways and automobiles. Whereupon, the South Manchuria Railway Company established the North Manchuria River Transportation Bureau which commenced its business in April, 1939, taking over the works done formerly by the Federation mentioned above, together with its workers, and purchasing all vessels owned by private shipowners who were members of the old Federation. Since the commencement of traffic business on the Sungari by the new Bureau, shippers are enjoying its good services, on account of simplified process, lower freight rates and through transportation by trains and vessels.

Besides, the Sungari Sailing-vessels Association was organized on February 15, 1940, by the amalgamation of three sailing-vessel associations at Harbin, Fuchin and Sanhsing, with the purpose of extending control of transportation on the Sungari to the business carried on by some 800 sailing-vessels.

The transportation business on the Sungari, which has been carried on from the time of Russian predominance, through the period of Chinese control, to the present period, is placed under complete State control through the working of the North Manchuria River Transportation Bureau and the Sungari Sailing-vessels Association.

Equipment and Facilities for Navigation. The lower stream of the Sungari has 334 beacons, 129 special beacons at narrower points with white ones on the left bank and red ones on the right bank, 146 fairway buoys and a number of light-houses at dangerous places. The upper stream, or West Sungari River, has 129 beacons and 419 special beacons up to the mouth of the Nunkiang, while the Second Sungari has 39 beacons and 10 special beacons. At a point a little up from the iron bridge in Harbin, a testing pole is erected for measuring the speed of ships.

Vessels afloat on the Sungari consist of steamers, lighters, junks and gun boats, over 800 in number with about 7,600 sailors. Of the total, 310 are owned by the North Manchuria River Transportation Bureau, consisting of 113 steamers, 130 lighters and 67 sailing-vessels. The size of these ships is from 700 tons to 1,000 tons, and sail by water-wheels affixed at the sides or the stern, peculiar to the vessels on the rivers in North Manchuria. The fuel they use is either coal from Hokang in Sankiang Province or fuelwood supplied from nearby districts.

There was a dockyard at Harbin established by the Chinese Eastern Railway, which was later taken over by the Mukden government, but was left to decay after the flood of 1932. It was reconstructed recently by the North Manchuria River Transportation Bureau, and produced over ten speedy vessels since, besides operating repairing works with 800-1,200 working hands in the early months of the year when vessels cannot sail on the river. The Harbin Dockyard is the sole representative of this enterprise in

Manchoukuo, and the "greyhounds" now plying on the Sungari are the products of this establishment.

Traffic on the Sungari. The passenger traffic is busiest in May when laborers converge in groups into North Manchuria. The number of travellers in Manchoukuo is on the yearly increase along with the general development of the country. They consist of laborers, government officials, surveyers, railway men, enterprisers and staffs of companies, many of them taking ships on the lower stream of the Sungari.

The regular services of the North Manchuria River Transportation Bureau on the Sungari, the Heilungiang and the Ussuri are as follows:—

Table 7. REGULAR SERVICE ROUTE

Line	Length (In km.)	Passage (In yen)
Harbin-Chiamussu	451	4.10
Harbin-Fuchin	623	5.70
Harbin-Hulan	49	0.50
Harbin-Heiho	1,418	10.40
Harbin-Sanhsing	341	3.10
Harbin-Talai-Fuyu		
Harbin-Talai	288	2.90
Harbin-Fuyu	285	3.60
Chiamussu-Heiho	967	6.95
Chiamussu-Hutou	835	6.80
Heiho-Chikote	154	1.20
Heiho-Moho	827	5.60
Argun	499	6.50
Hutou-Lungwangmiao	272	5.60

The Bureau is planning to open services on 8 new lines in 1940 for the convenience of increasing travellers by water in Tungan and other provinces through which the streams of the Sungari flow.

Along with the increase in the number of over-land travellers, transportation by water has also steadily increased in North Manchuria. In 1931 it was 102,000. This increased to 326,000 in 1933, to over 500,000 in 1935, and then went up to 712,882 in 1937 and 709,403 in 1938. Of the total for 1938, 536,812 or 67 per cent were passengers between Harbin and Tungkiang. The shrinkage by 3,000 in 1938 from 1937 was due not so much to the decrease of travellers in general, as to the low-water in the spring of that year.

The city of Harbin, which has a population of 460,000, is the center of the movement of cargoes in North Manchoukuo, distributing cereals and goods to the towns and villages along the water courses and consuming their products in considerable amounts. The opening of the railway between Tumen and Chiamussu had been considered to affect water transportation on the Sungari, but the actual results proved that the completion of the railway line accelerated shipment of products in North Manchuria in general and the utilization of water courses has correspondingly increased, while the shippers who have had head offices in Harbin for many years past continue to send in cargo to the vessels on the Sungari, as indicated by the following figures:—

Table 8. MOVEMENT OF CARGO ON THE SUNGARI

Year	Tonnage (In metric tons)	Freightage (In yen)
1933	663,166	4,938,130
1934	820,856	6,484,447
1935	755,045	6,146,119
1936	846,256	6,439,456
1937	803,090	6,421,507
1938	884,883	—

Principal articles of merchandise which are sent to Harbin are soya beans, wheat, cereals, coal and timber. Soya beans come from the districts along the lower-stream of the Sungari, such as Ilan and Chiamussu, the annual amount of cereals and soya beans shipped into the city reaching 335,000 metric tons. Coal comes from Leinkiangkou, and timber from Ilan and Heiho.

Important goods shipped out are general merchandise and wheat-flour, reaching 60,000 metric tons in aggregate amount.

Calamities or damages on the traffic on the Sungari are very rare, especially in the case of steamers. Banditry which once infested the area has been completely subdued.

The Yalu River (Oryokko)

The Main Stream and Its Tributaries. The Oryokko, or Yalu River, which forms the border between Manchoukuo and Chosen starts in the Changpaishan mountain range, and flowing from north-east to south-west through 790 kilometers of the valley finally empties itself into the Yellow Sea at a point near Hsintao.

The important effluents are the Hunkiang, the Pushihkiang, and the Aiho in Manchoukuo and the Kisenko, the Choshinko and the Toraiko in Chosen.

The drainage basin of the Yalu is almost entirely composed of mountains, and the formation of the streams in the basin is simpler than that of rivers in the plains of Manchoukuo, much resembling the rivers in Japan Proper. On account of the mountainous country, the area of the basin is comparatively small for the length of the stream, comprising but 62,634 square kilometers.

The Main Stream. The main stream of the Yalu springs at the western base of Mt. Changpai. It joins the Kisenko at Keisanchin in Kankyonando province of Chosen, then flows southward, and gathering the waters of the Choshinko and other small rivulets, continues its course to the south-west to meet the Hunkiang. The volume of water suddenly increases by absorbing the Hunkiang. The the river joins the Aiho at a point above Gishu, where it is divided into three streams by sand-bars, the middle stream being largest with a width of 400 meters. The three streams merge into one at Shahochen. The Yalu now assumes the appearance of a giant river. Pushing through in between the two cities of Antung and Shingishu to the south, it empties into the Yellow Sea, forming a delta at its mouth. The part of the stream above Antung is utilized for the traffic of passenger and goods in the valley, while below the city it makes a good harbor, playing an important rôle in foreign trade.

The Hunkiang. This tributary of the Yalu River starts at the foot of the mountain pass of Roya in the Changpaishan range, and runs south-west to reach Tunghua-hsien, then, passing around the town at its south, continues its course to Hunkiangkow where it joins with the main stream of the Yalu. It runs for 432 kilometers and commands a drainage basin of 14,324 square kilometers. Most of the basin is composed of mountains and valleys, making the Hunkiang a simple mountain river. The width is 100-140 meters at the widest point near Huanjen-hsien and the volume of water differs greatly according to seasons: it is possible to ford the river at places in the low-water season. The districts along the river are well developed, containing the rich fields and big forest lands of Tunghua and Huanjen, so that the goods and passengers conveyed on the stream comprise one-half of the entire volume of traffic of the Yalu above the city of Antung. In this point, the tributary Hunkiang surpasses the main stream of the Yalu. Small boats may paddle up to Pataokou, and the construction work of a hydro-electric plant on the river is under way along with the development program of the Tungpientao region. On its completion, the economic value of the Hunkiang will be greatly increased.

The Aiho. The Aiho River is the next largest among the effluents of the Yalu on the side of Manchoukuo. Its starts at Nanpo in the watershed 40 kilometers north of Kuantien-hsien and runs south-west till it turns at a right angle south-eastwards at Fenghuangcheng to join the main stream of the Yalu at a point opposite to Gishû of Chôsen. It has a length of 197 kilometers; the upper stream is a real mountain river, fording being possible at Shihtaochen. After it joins the Pataoho and the Tsaoho, an increase is noted in both the volume and width of the stream and the speed of the river also increases. The drainage basin is rich and produces timber in quantities, and transportation on the stream is prosperous.

Navigation Sections and Conditions of the Watercourse

Navigation Sections and their Conditions. The part of the Yalu suitable for navigation may be divided into two major sections with Antung city as the dividing point. The section below Antung may be described as a harbor rather than a stream, while the section above the city is a real river transportation section. The upper major section may be again divided into three sections, according to the nature of the stream, i.e. the sections of Antung-Chushan, Chushan-Chungkiang and Chungkiang-Hsinchiapo.

The section between Antung and Chushan has some 30 rapids, but none of them exceeds one mile. The river bed is of pebbles, containing some rocks, the tops of which are defaced and give little harm to boats. The volume of water is large at all times, the shallowest place having a depth of over 2 feet, and the stream is wide and slow in general.

The second section between Chushan and Chungkiang is full of dangerous rocks which stands in a row one mile long at certain points, while rapids number approximately 100. The banks become precipitous and the current flows with greater speeds. The river gradually narrows, and rocks make their appearance out of the surface of the water. The boats begin to lighten their load in the low-water season of October to stop the whole navigation toward the end of the year.

The third section between Chungkiang and Hsinchiapo has a rocky bed. There are some 80 rapids hard to pass. The stream becomes still narrower and meanders in torrents. The navigation is gradually closed from Hsinchiapo down to Chungkiang, beginning in October. Battling against the torrential stream, experienced steersmen lead their boats up and down dexterously between rocks, guided by the waves and the color of the water.

In the upper stream navigation by small boats is possible from April to June. But in the rainy months of July and August the water runs over the banks, then recedes in September to normal condition. In October it begins to be unnavigable.

The section below Antung is rather an estuary harbor as mentioned above, and the condition of the watercourse entirely differs from the sections above the city. The distance from Antung to the mouth of the river is approximately 40 miles, and the width reaches one kilometer. Flowing slowly down, it enters into the Yellow Sea. At the delta it forms, the stream is divided into two, the one on the side of Manchoukuo being called the West Channel and the other on the side of Chosen the East Channel. The East Channel above Tashito is too shallow for ocean liners, and the ships sailing into anchorages other than Tashito pass through the West Channel. Near the mouth of the river, shoals are heaped up by the alluvial action of the current, and place obstacles before the vessels plying. Frequent changes of the conditions of the river bed also occur. But nowadays steamships of 2,000-2,500 tons come alongside the berth of Santaolangtou. It was but recently discovered that Chaotzekou is better than Santaolangtou as an anchorage. There is no place for safe anchorage above Santaolangtou, and all ocean liners stop sailing at this point.

Riparian Works and Beacons. The natural port of Antung had many defects for navigation. The South Manchuria Railway Company, entrusted with the mission of developing Manchuria after the Russo-Japanese War of 1904 and 1905, made trials for removing shoals at the mouth of the port, employing a number of dredgers in 1910 and 1911, but in vain. This was due to the voluminous amount of sand carried down by the Yalu. In the meantime, the two cities of Antung and Shingishu developed yearly and sea-going vessels entered the port in increasing numbers. Whereupon, the Antung Shipping Administration Bureau of the Manchoukuo Government proposed the execution of a complete survey by experts on harbors, on the actual conditions of the port of Antung at the hydrographic conference of Manchoukuo held at Hsinking in March, 1934. In June of the same year, the South Manchuria Railway Company conducted a strict survey, in compliance with the proposal, on the actual conditions of the mouth of the Yalu below Antung in cooperation with experts other than its own. And it was decided that the watercourse for navigation should be improved by a thorough riparian work and necessary economic and technical examinations should be continued for the future development of the port of Antung. But when a large-scale exploitation plan was mapped out in 1936 for the excavation by the Government of important underground resources in the Tungpientao region, a new proposition for constructing a big harbor at Tashito began to gain ground. The old plan for improving the port of Antung was finally shelved when the Manchoukuo Government gave orders to construct the new harbor of Daito in June, 1939. The appearance of the new ports of Tashito and Daito in the near future by the joint efforts of Manchoukuo and Japan will help the development of the old ports of Antung and the city, and the mouth of the Yalu River is expected to become a busy entrepot.

Riparian works and erection of beacons along the watercourse of the Yalu River have hitherto been carried on almost entirely by the Government-General of Chosen. But it has become necessary that these works be carried on in cooperation and under the joint supervision of Manchoukuo and Chosen for the convenience and promotion of transportation. In March, 1935, therefore, a hydrographic agreement was concluded between the two governments, and in March of the following year, a mémoiré on the erection of beacons along the lower stream of the Yalu was signed by the contracting parties. Since then, the two governments have been working in close cooperation for the improvement of the channels of the river, setting, for example, 3 light buoys at points below Tatungkou for the safety of ships coming in and out of the anchorages in the mouth of the Yalu.

At present, the Antung Shipping Administration Bureau have, under its supervision, one lightship, one signal, 6 beacons, one guide-post and 42 buoys in the main stream and in the east and west channels. Since December, 1935, the work of improving banks by breaking rocks has been going on. In accordance with the agreement, a joint commission of engineering was organized. The first meeting of the commission, held in the Government-General Office in Keijo in January, 1937, discussed the subjects of investigations on the upper watercourse of the Yalu, the possible change in the watercourse when a dam is constructed for hydro-electricity, the number and conditions of cargo boats on the stream, the relation of the river with its hinterland and the improvement of the channels below Antung, etc. At the second meeting held at Hsinking at the end of March of the same year, the commission deliberated on the material plans for the construction of the port of Tashito and the improvement of channels at Antung, in accordance with valuable reports brought in on both sides of Manchoukuo and Chosen in regard to their spot investigations and future possibilities.

Thus, preparations are being made by the cooperation of Manchoukuo and Chosen for the economic development of the drainage basin of the Yalu. The same commission is also entrusted with the improvement work of the Tumenkiang River which forms the north-eastern section of the boundary between the two countries.

Term for Navigation. The term for navigation on the Yalu extends from the thaw in spring and the freezing in early winter. The duration depends on the weather conditions in the year, but, at Antung, the main watercourse is freed from ice in the last days of March, at Chungkiang in the middle of April and at Hsinchiapo in the last days of April. The ice-bound season commences in the upper valley, the Hsinchiapo region entering into it at the end of October. In the beginning of November, the banks in the valley near Chungkiang start to be covered with ice and rudder and suction pumps of the ships on the stream are frozen. In the latter half of November, similar conditions persist in the valley near Antung, and vessels are landed to hibernate, leaving no boat afloat on the stream. The ice approaches in quick steps, and it is not rare that, once particles of ice are seen in the stream, the entire surface of the Yalu River becomes ice-bound within several hours by an instantaneous fall of temperature, and vessels are compelled to seek shelter at the spot for the winter.

Table 9. PRINCIPAL RIVER SYSTEMS

River	Navigable length (Kms.)	Sources	Tributaries	Emptying into
Heilungkiang (Amur) (4,400 kms.)	3,040	Onon, Ingoda, Silka, Kolulienho, & Ehlukonoho Rivers	Zeya, Bureya, Sungari, Ussuri & Argun Rivers	Japan Sea
Sunghuakiang (Sungari) (2,120 kms.)	1,330 (from Kirin)	Toutaokiang, Sayinnoin, Liangtakiang, Nênkiang (Nonni) Rivers.	Lafaho, Changyenho, Huifaho, Itungho, Lalinho, Hulanho, Ashihho, Fuikutoho, Moyenho, Muanho, Wokengho Rivers	R. Amur
Nenkiang (Nonni) (800 kms.)	—	Hsinganling, Ilihuri Mts.	Yaluho & Chuoluho Rivers	R. Sungari
Taoerho	—	Eastern Skirts of Hsinganling Mts.	Keiliuho & Chiaoliuho Rivers	R. Sungari
Ussuri (1,312 kms.)	—	Daubihe, Sandagou, Urahe & Imân Rivers	Sungachaho, Mulingho & Naoliho Rivers	R. Amur
Tasuifenho	—	Tumen Mountain, Northern Skirts of Mukotehhsiang Mts.	Huputoho & Fuyehkouho Rivers	Japan Sea
Tumenkiang (2,000 kms.)	95	Southern Skirts of Changpaishan Range	Kayaho, Choshinko, & Hunho Rivers	Japan Sea
Yalu (790 kms.)	160	Western Skirts of Paitoushan, Kyosenko, Choshinko, Hunho & Aiho Rivers	Hunho, Tapushihho & Aiho Rivers	Yellow Sea
Liaoho (1,900 kms.)	880	Silamulunho, Laohaho & Tung (East) Liaoho Rivers	Silamulunho, Laohaho, Tungliaoho, Hunho, Shaosuhuangho, Liangtzuho, Chingho, Tsaiho, Hunho, Sutzuho, & Taitzuho Rivers	Liaotung Bay
Luanho (400 kms.)	—	Haintontokulushan, Mongolia	Isunho, Jeho & Paoho Rivers	Pohai Bay
Talingho (425 kms.)	100	Kienpin-hsien, Jehol	—	Liaotung Bay
Hsiaolingho	—	Minganshan Mts. Skirts, Chaoyang-hsien, Chinchow, Juerhho & Hailiutuho Rivers	—	Liaotung Bay

LAKES IN MANCHOUKUO

Lake Dalainor

Water courses around Lake Dalainor. On the map, Lake Dalainor seems to be connected with the Argun River, one of the headwaters of the Heilungkiang. According to the recent discovery of surveyers at the spot, however, the lake is disconnected with the Argun at present. On the contrary, the water of the Hailar River flows into the lake from the north through the Mutonaya watercourse in the season of flood. Lake Dalainor is a natural reservoir in the center of the drainage basin formed by the lake itself, Lake Buirnor, the River Wuerhshunho which connects the two lakes, the Harha which empties into Lake Buirnor and the Kerulen which enters into Lake Dalainor.

Position of Lake Dalainor. The lake lies in the district under the Hsinpa-chi, in the western part of North Hsingan province, and is located at a point approximately 35 kilometers south of Manchuli, and 935 kilometers to the north-west from Harbin.

Dimensions and Topography. Lake Dalainor measures 57-70 kilometers in length, 28-30 kilometers in width and approximately 200 kilometers in circumference, and comprises an area of from 1,300 to 1,600 square kilometers.

On the north, hills proceed to the brink of the lake being backed by higher mountains which spread to the north-west to the border line between Manchoukuo and Soviet Russia. On the north-east and south-west, lands are flat around this great expanse of water. The mountains run parallel to the north-west shore, cliffy but indented. On the south-west hills recede far from the lake and leave a vast low swampy land in between. Small hills erect their heads in the swamps in the land, south-west of the mouth of the Wuerhshunho, which partially forms a steppe. The bed of the rivers in the drainage basin is of muddy sand, and the shoal extends to a distance, the banks curving moderately.

Change of the Area and Watercourses. There is a record written in the 13th century which mentions that a flood of the Kerulen created a great lake several hundred miles round. Whether it speaks of the origin of Lake Dalainor, it is impossible to ascertain, but the fact remains that the ancient record clearly refers to the conditions of this lake at that time.

Other historical records show that in the 18th century the lake received the water of the Hailar and drained its own waters into the Argun River, that at the end of the 19th century when Russians made advances into the Hulunpeierh region, Lake Dalainor was a small swamp surrounded by low damp grounds where reeds grew higher than horses or men, and that, in 1904, the lake measured 20 kilometers in length and 10 kilometers in width, the depth being one meter. Later, the Hailar River turned its course to the north to empty into the Argun and unlinked itself from the lake. Formerly, the Wuerhshunho joined the Starargun River and did not directly empty itself into Lake Dalainor. Thus, the lake seems to have been connected only with the Kerulen and remained a small swamp in the early years of the present century. The Starargun ran east of the present Muton River. As a result of the construction of the Chinese Eastern Railway, the courses of this river and the Wuerhshunho were obstructed and the latter has continued to cleave its way to the basin of Dalainor, while the former was compelled to vanish underground.

The volume of water in Lake Dalainor began to increase when the Wuerhshunho commenced to empty directly into it the whole water which the river received from Lake Buirnor. According to the Russians, Lake Dalainor seems to have assumed the present state at the end of 1907. After 1917, a spell of dry weather visited the Harha region for some time. As a natural consequence, the rivers and lakes in the region were reduced, in 1918, to shallows where men and horses freely crossed on foot, but they recovered normal conditions by 1922. During the years 1928-32, the water of the lake was much deeper, the present depth prevailing since 1935. The lake is now without mouth and salt is thickening in its waters, so that it is feared that this lake may diminish and divide itself into small salt lakes.

Fishing in the Lake and its Rivers. Fishing is available in the stream of the Wuerhshunho in spring, at the mouths of rivers and the north-western beach of the lake in summer and autumn, and the shores of the lake and all the streams in winter time.

The fishes abounding in the lake and its rivers are the carp, crusian carp, catfish, loach, and the like, while the salmon and trout inhabit the Harha and the Buirnor Lake. Shrimps and swan-mussel are also found in Lake Dalainor.

Lake Buirnor

The oblong Lake of Buirnor lies in the southern part of the Hulunpuir region, touching the boundary of Outer Mongolia. It is 50 kilometers in length and 30 kilometers in breadth, and comprises an area of 500-700 square kilometers. Its depth averages 9 meters, the deepest point measuring 50 meters. The bottom is of pebbles and the water is clear in general, containing some salt. The lake became better known on account of the battles engaged between the air forces of Outer Mongolia and the combined air forces of Japan and Manchoukuo in June and July, 1939.

Lakes and Swamps at Kanchumiao

There are numerous small salt lakes and swamps in the low grounds of the sand tableland which extends between Kanchumiao and Huiho, such as Elonor, Puerhtnor, Kukunor, Sumernor, Halahu, etc. But they are comparatively small in dimensions and do not contain a very large volume of water.

Lakes and Swamps South-West of Hailar

There lie a number of lakes and swamps in the district southwest of Hailar. The largest is the Puyulinoerh salt lake 8 kilometers round. It is very shallow. The bottom is of muddy clay, giving a gray color to the waters. It contains much salt, and natural soda is collected by the lake.

Lake Chingpo

Lake Chingpo is located in the mountains 28 kilometers southwest of Tungkingcheng of Ningan-hsien in Mutankiang Province.

The lake is actually a part of the watercourse of the Mutankiang which starts in Mt. Mutanling in Kirin Province. The stream of the Mutankiang River was evidently obstructed by the flow of basaltic lava at a point near Ssukitung and the natural dam created there is the Chingpo Lake. It is 339 meters above sea-level, and its area covers 79.4 square kilometers under normal conditions. The waters of the lake plunge over the lava walls from the waterfall, Tiaoshuilou, which is 20 meters high and form the main stream of the Mutankiang. The principle part of the lake is called South Lake while the other part, consisting of a narrow stretch of water in gorges is named West Lake.

Fishery. Fishery is principally undertaken in South Lake and has a long history. The ruins of a castle built on the bank of the lake in the old days of the Pohai Kingdom are still to be observed. It is presumable that fishing thus was early developed. At the time of the Manchu Dynasty, the Suns who lived at South Lake had hereditary rights of fishing in Chingpo Lake and in the section of the Mutankiang nearest to the lake. It is said that the annual catches reached 3,000 piculs. But later, free fishing almost exhausted the fishes of this district, and the catches decreased by 90% in the days of the Suns.

In 1924, a Chinese fishery company was established to monopolize the fishing industry in this region, but it was dissolved at the time of the Manchurian Incident of 1931.

In 1936, the Chingpo Institute took the initiative in organizing a fishery association of about 30 fishing families on the lake. Then, in 1939, experienced fishermen were called from Japan to conduct a systematic fishery industry here, and the value of the annual catches at present is roughly ¥20,000. The said fishery association was merged into the fishery association of Ningan-hsien in 1938.

Fishes caught here are carp, crucian carp, catfish, dace, black fish, etc., with a small number of salmon or trout. The best are crucian carp which are big and so delicious that they were sent to the Court of the Manchu Dynasty as a tribute. Chingpo Lake is really a haven of carp and crucian carp. Cultivation of fish now carried on in the lake will quickly increase its economic value, together with the construction of a hydro-electric plant at the lake.

The region around Lake Chingpo was recently designated as one of the national parks of Manchoukuo to make the people enjoy the beautiful scenery of green mountains and clear water. The Chingpo Institute has played an important rôle in the improvement of its valleys through many hardships. Their efforts will be fully repaid when the valleys are draped in woodlands in the near future.

Lake Hsingkai

Lake Hsingkaiho or Lake Hinka is located on the boundary between Mishan-hsien and the maritime province of the Soviet Union. It is about 60 meters above sea-level, and with an area of 4,500 square kilometers it is one of the large lakes in East Asia. It is divided into the Great Hinka and Small Hinka, or Topaho.

The Great Hinka Lake. It is generally shallow, averaging 2-5 meters, the deepest point being 10 meters. The bottom is composed of pebbles and muddy sand. When disturbed by strong winds, therefore, the waters become turbid and yellowish brown, with a transparency of 60 mm.

All the rivers emptying into the lake come from the Russian territory. They are the "Sintuha, "Mo" and "Frey" and run into the lake from the west or the south. The only river that drains the waters of the lake is the Sungachaho which is 50 meters wide and 5 meters deep. The river runs over 185 kilometers and ultimately joins the Ussuri. On the north of the lake hills may be seen, while a part of the beach forms a long sand bank covered with pines as common at the seashore of Japanese islands. The lands around the lake are mostly marshy and suitable for water-fowls. In recent years, a part of them was transformed into rice-fields.

The Small Hinka Lake. The Small Hinka, or Topaho, is a great swamp, the boundaries of which are hard to mark and the area widely varies according to seasons. Roughly speaking, it measures 25 kilometers in length and 11 kilometers in breadth, the depth being 1.30 meters on the average. The bottom is of black mud, and the reed, the cattail and other aquatic plants grow there luxuriantly.

Fishing in Lake Chingpo is best in May and June, where a netting will catch tens of thousands of whitebait. The lake begins to be ice-bound in the beginning of November and thaws toward the end of April, the thickness of the ice reaching approximately one meter.

Table 10. PRINCIPAL LAKES

Lake	Location	Dimensions (Kms.)	Circumference
Hingkai (Hanka)	At the border of Pinkiang Province and Soviet Territory	S. to N. 90 E. to W. 50	252
Tapaho (Hsiaohingkai)	North to Hingkai Lake	S. to N. 40	120
Pirton (Kingpo)	Southwest to Ningan, Pinkiang	E. to W. 8	40
Dalainor (Hulun)	West to Hailar	S. to N. 20 E. to W. 10	—
Buirnor (Salt)	South to Hulun	S. to N. 25	—
Yuehliangpao	Jalaid Banner, Hsingan	E. to W. 35	10
Tabusunor	West Uchumuchin Banner, Mongolia	—	—
Talinor	Northwest to Keshikten Banner, Hsingan	S. to N. 3 E. to W. 65	120
Talakannor	West Jarod Banner, Hsingan	— —	85

CLIMATE AND METEOROLOGY

For meteorological service and statistics Manchoukuo in the past owed almost entirely to the Japanese observatories in the Kwantung Leased Territory and railway zone and to those under Russian management in the Chinese Eastern Railway zone now called the North Manchuria Railway zone. Manchoukuo, however, as early as 1932 set about establishment of its own meteorological service, deciding on the expenditure of 5,600,000 yuan for the same purpose. This plan called for a central observatory at Hsinking and 11 observatory stations within the country.

Climate

Forming a part of the Asiatic mainland and only its southwest coming directly under the influence of sea currents, Manchoukuo's climate is continental and marked by extremes of heat and cold, although the country itself lies within the same parallels of latitude as England and Germany. The meteorological conditions of Manchoukuo are mostly influenced by the proximity of the Mongolian desert in the west. Intensely cold and late winters are almost alternated by equally intensely hot summers, spring and autumn being very short. Rain and snow are not abundant; excessive dryness is met in most parts of the country.

June, July and August are the hottest and November, December, January, February and March are the coldest months. Greater variations in temperature are seen as one proceeds northward from Hsinking. In many localities the glass ranges from 40° centigrade to as many degrees below zero. The highest temperature on record is 42°.6 centigrade at Chalantun (July 23, 1919), while the lowest is 50°.1 below zero at Mientuho (January 16, 1922). The extreme cold of winter, however is greatly moderated or made even bearable by a succession of warm days, almost at regular intervals. This is popularly known as a cycle of "three cold and four warm days", a meteorological condition common to Manchuria, Korea and North China. This change in weather takes place as the result of regular passages of the colder air from the tableland of Mangolia to the lower regions to the east.

Table 11. MEAN TEMPERATURE IN MANCHOUKUO

(Centigrade)

	January			July			Whole Year		
	Highest	Lowest	Ave. rage	Highest	Lowest	Average	Highest	Lowest	Average
Heiho	–17.9	–28.4	–23.5	27.3	16.6	21.6	6.0	5.2	0.1
Manchouli ...	–20.3	–30.8	–25.7	26.6	14.1	20.9	4.1	8.4	1.8
Hailar	–22.1	–34.2	–28.3	27.2	13.9	21.0	3.9	9.2	2.5
Hsingan	–24.6	–31.0	–28.0	21.2	12.2	16.4	0.8	8.5	4.0
Koshan	–17.9	–31.5	–25.3	26.0	15.7	20.7	6.5	6.6	0.0
Tsitsihar	–12.9	–26.4	–20.2	28.4	18.1	22.5	9.2	3.5	2.4
Fuchin	–16.3	–26.4	–12.8	26.3	17.0	21.4	7.2	3.3	1.7
Solun	–10.7	–23.0	–17.6	28.4	14.6	21.4	8.9	4.7	2.0
Harbin	–14.1	–25.9	–20.2	28.6	18.1	23.2	9.1	2.7	3.1
Mishan	–13.2	–26.9	–19.9	27.6	15.8	21.5	8.1	4.4	2.0
Taonan	–10.0	–23.6	–17.0	29.4	18.5	23.7	12.6	1.8	4.3
Mutankiang ..	–12.6	–27.5	–20.4	27.5	16.1	21.9	9.3	4.3	2.4
Suifenho	–13.5	–22.1	–18.4	25.6	15.3	20.1	7.7	2.7	2.1
Hsinking	–10.8	–22.8	–16.9	28.9	18.6	23.5	11.0	1.2	4.7
Yenki	– 8.0	–23.9	–15.9	31.3	18.3	24.2	12.1	1.9	5.0
Chifeng	– 6.2	–22.1	–14.4	31.3	17.5	24.2	13.5	1.4	6.0
Mukden	– 6.4	–18.8	–13.0	30.3	20.2	24.8	13.6	1.5	7.2
Jehol	– 3.2	–14.8	– 9.6	31.8	20.0	25.5	15.4	3.5	9.2
Yingkow	– 4.2	–15.6	– 9.8	29.1	20.6	24.9	13.7	3.2	8.5

Table 12. TEMPERATURE COMPARED WITH JAPAN

(a) Mean Temperature

	Hailar	Hsinking	Nemuro	Kobe	Taihoku
January	–28.7	–16.9	– 4.9	4.4	15.2
February	–23.4	–12.5	– 5.5	4.5	14.8
March	–13.7	– 4.1	– 2.4	7.4	16.9
April	1.4	6.5	2.8	13.2	20.6
May	9.6	14.5	6.5	17.7	24.1
June	17.2	20.1	9.9	21.5	26.6
July	20.6	23.4	14.2	25.6	28.2
August	18.3	21.9	17.2	27.0	27.9
September	10.6	14.9	15.2	23.2	26.2
October	1.1	6.7	10.7	17.3	22.9
November	–14.4	– 4.3	4.6	11.9	19.8
December	–25.2	–13.7	– 1.4	6.9	16.8
Average	– 2.2	4.7	5.6	15.1	21.7

(b) Lowest Temperature

	Hsinking (Jan.)	Hailar (Jan.)	Nemuro (Feb.)	Kobe (Jan.)	Taihoku (Feb.)
Yearly Ave.	–16.9	–28.7	– 5.5	4.4	14.8
High ave.	–10.7	–21.6	– 2.2	8.6	19.0
Low ave.	–22.7	–34.2	– 9.6	0.9	12.3
Lowest	–36.0	–46.0	–22.9	–5.9	–0.2

(c) Highest Temperature

	Hsinking (July)	Hailar (July)	Nemuro (Aug.)	Kobe (Aug.)	Taihoku (July)
Yearly ave.	23.5	20.6	17.2	27.0	28.2
High ave.	28.9	26.7	20.9	31.8	33.2
Low ave.	18.5	14.8	14.1	23.5	24.3
Highest	39.5	36.1	32.1	37.6	38.6

Rainfall

The annual average rainfall is from 500 to 700 millimeters, one-third the amount for Japan proper. More abundant rain is seen to the area closer to the northern border of Korea and less in the northwest. In point of distribution of precipitation, the area along the South Manchuria Railway, particularly between Dairen and Mukden, forms a dividing line. The area to the east of this line has a rainfall ranging around 600 millimeters per year. There is less precipitation as one proceeds westward. The average for the area along the Ping-Chi Railway line is around 400 millimeters and the rainfall at Manchuli less than 300 millimeters. With a fall less than 400 millimeters a year, agriculture becomes impossible. The plains in the west, therefore, are good only as pasture.

From the agricultural point of view, the falls during July and August give an adequate volume of rain for the growing season through the central grain belt of the country. For instance, the rainfall of Mukden between the beginning of May and the end of October is given at 602 millimeters comparing with 558 millimeters for the towns of Sapporo and Niigata in Japan for the corresponding season of the year.

Table 13. PRECIPITATION, SNOW AND FROST

	Precipitation (mm)		Snow Season		Frost Season	
	July	whole year	1st (month & day)	last (month & day)	1st (month & day)	last (month & day)
Heiho	150.2	515.1	X 5	V 5	IX 23	V 17
Manchouli	83.0	272.2	X 5	IV 23	IX 14	V 21
Hailar	88.1	322.8	X 5	V 6	IX 16	V 24
Hsingan	167.3	532.4	IX 24	V 26	VIII 24	VI 2
Koshan	205.1	532.7	X 9	IV 28	IX 29	V 2
Tsitsihar	137.2	464.0	X 18	IV 22	X 1	V 4
Fuchin	168.8	581.7	X 10	IV 27	X 7	V 1
Solun	73.7	293.3	IX 21	V 6	IX 16	V 5
Harbin	165.7	577.3	X 18	IV 18	X 4	V 4
Mishan	117.7	645.9	X 9	IV 21	X 29	V 15
Taonan	132.2	426.1	X 13	IV 13	X 11	IV 14
Mutankiang	122.9	533.2	X 20	IV 21	IX 24	V 13
Suifenho	126.9	627.7	X 5	V 13	X 3	V 30
Hsinking	177.7	660.9	X 18	IV 21	IX 26	V 3
Yenki	57.6	323.7	X 16	IV 7	IX 28	V 8
Chifeng	54.8	284.0	XI 1	IV 5	IX 26	IV 25
Mukden	158.2	678.4	X 27	IV 10	X 3	V 3
Jehol	101.7	506.1	XI 17	III 24	IX 27	IV 17
Yingkow	172.7	659.9	XI 2	III 31	X 12	IV 13

Table 14. MONTHLY PRECIPITATION COMPARED WITH JAPAN

(Unit: m.m.)

	Hailar	Hsinking	Nemuro	Kobe	Taihoku
January	3.2	6.4	37.3	45.9	88.0
February	4.6	6.3	27.1	53.5	132.7
March	2.0	15.8	56.3	88.6	181.7
April	19.2	20.5	77.9	125.0	168.5
May	22.5	56.3	93.2	118.9	222.5
June	42.0	115.0	92.0	196.3	288.9
July	86.5	181.9	99.4	153.6	235.1
August	80.9	132.4	108.1	124.6	299.8
September	33.6	55.4	144.1	193.7	238.5
October	13.6	38.8	103.1	122.1	120.3
November	7.3	14.9	87.2	73.1	66.1
December	3.0	6.8	57.1	49.0	73.0
Total	318.7	650.3	982.7	1,343.3	2,114.7

Wet and Clear Days

Because of low precipitation and the short rainy season in summer, there are few places in Manchuria which experience more than 100 wet days in the year, at some places the number of wet days being only 70. The wet days at Dairen, Mukden, and Hsinking are given at 78, 92, 107 respectively. The continuation of fair weather provides very favorable conditions for agriculture, particularly for crops of rapid growth, and for the farmers during the harvesting time.

Table 15. SUNRISE AND SUNSET

	Winter Solstice		Summer Solstice	
	Sunrise (a.m.)	Sunset (p.m.)	Sunrise (a.m.)	Sunset (p.m.)
Hsinking	8.10	5.04	4.56	8.24
Harbin	8.12	4.52	4.43	8.27
Dairen	8.09	5.35	5.28	8.22
Heiho	8.28	4.30	4.19	8.44
Suifenho	7.49	4.39	4.31	8.04
Jehol	8.30	5.44	5.37	8.44
Hailar	8.54	5.05	4.55	9.10

Table 16. VERTICAL RADIANT HEAT

(gram calory/cm2)

	Koshan	Hsinking	Chiamussu	Tungan	Tokyo	Morioka	Otomari
January	129	318	—	—	289	286	—
February	228	428	—	—	407	264	—
March	412	518	264	—	333	409	—
April	486	581	621	518	552	488	—
May	545	510	700	568	528	517	—
June	591	499	659	667	408	541	625

(Continued)

	Koshan	Hsinking	Chiamussu	Tungan	Tokyo	Morioka	Otomari
July	578	411	718	616	458	486	584
August	509	363	491	436	456	555	514
September ..	430	338	445	390	333	438	407
October	313	312	386	344	291	352	351
November ..	194	224	305	250	293	296	208
December ..	114	212	256	220	214	268	164

Evaporation

On account of small precipitation and low mean temperature, and the strong winds prevailing, evaporation in Manchuria ranges from 1,400 to 1,600 millimeters a year, approximately twice the mean figure for Japan proper. The highest rate of evaporation is for May when the monthly average is upward of 200 millimeters. The lowest rate is for January when the monthly average falls below 50 millimeters.

Frost and Snow

The non-frost season in South Manchuria is from 150 to 200 days in the year, around Taonan 160 or more days and in North Manchuria, around Tsitsihar, some 140 days. These months, free from frost, provide abundant time for the summer crops.

The frost comes in the early or middle part of September in the area west of the Hsingan mountains, and in the opening part of October around the region of Harbin, Anta and Sansing, in North Manchuria. The middle part of the country, embracing Hsinking, Imienpo, Kungchuling, Kaiyuan, Taonan, sees the first frost in late September, while South Manchuria or places like Mukden and Yinkow follow about a week or ten days later, as a rule. The end of frost is in the south toward the end of April and in the north generally between the close of April and the middle of the following month.

Snow begins to fall in the north about the end of September and in the south one month later. But on the whole the first snow is seldom seen in the country before the closing part of October. The snowy season in the north closes around May 10 and in the south around April 10, there being a difference of one full month also. The depth of snow is generally less than 10 centimeters.

Winds

Through the winter a north or a northwest wind prevails over Manchuria. This prevailing wind is due to the high barometrical pressure originating around Lake Baikal. When this pressure declines there sets in a southerly wind to temper the cold. In the summer the ascending currents of air over the sandy deserts of Mongolia and Central Asia draw in a current from the sea, the prevailing wind being south or southeast.

In spring and autumn the prevailing wind blows west, this wind often rising to a fresh gale in spring. The farmers regard these strong winds as a sign of good crops. The wind-borne sand is carried sometimes as far as the western shores of Japan.

The main features of the climate of Manchuria may be summarized as follows. It is continental, with a wide range of seasonal as well as diurnal variation in temperature. The long winter makes up one half of the year, spring and autumn being brief. The summer is short but the high temperature is favorable to farm crops. The intense cold of winter is tempered by the "cycle of three cold and four warm days". July and August form the rainy season in which 80 percent of the annual rainfall is experienced. The volume of rainfall is as a rule one quarter of that in Japan. There are many clear days but because the dry air is dusty, the climate is hardly healthy.

Table 17. DIRECTION OF THE WIND

Name of District	Most Usual Direction of the Wind		Average Velocity (metres per Second)		Number of Stormy Days
	January	July	January	July	
Manchouli	Southwesterly	Easterly	2.3 metres	2.7 metres	7
Hailar	Westerly	Westerly	1.1	2.0	3
Mientuho	Westerly	Easterly	1.1	2.0	16
Pukotu	Northwesterly	Easterly & Southeasterly	3.7	2.2	19
Chalantun	Northwesterly	Northerly	3.2	2.3	0
Angangki	Northwesterly	Southwesterly	3.9	4.8	27
Anta	Westerly	Southerly	3.6	3.6	9
Harbin	Westerly	Southerly	5.3	5.2	13
Yaomen	Southwesterly & Westerly	Southwesterly	2.3	3.2	34
Imienpo	Southwesterly	Southwesterly	3.5	2.8	11
Mutankiang	Southwesterly	Southwesterly	2.3	2.4	15 or less

(Continued)

Name of District	Most Usual Direction of the Wind		Average Velocity (metres per Second)		Number of Stormy Days
	January	July	January	July	
Taipingling	Northerly	Southeasterly	4.5	2.9	7
Yenki	Westerly	Northwesterly	3.1	1.4	16
Sanhsing	Southeasterly	Southwesterly	3.6	2.1	9
Hsinking	Southwesterly	Southeasterly	2.7	2.2	21
Mukden	Northerly	Southerly	2.1	1.9	6
Dairen	Northerly	Southerly	5.2	4.9	121
Vladivostok	Southwesterly	Southwesterly	8.4	7.2	93

Climatic Effect on Agriculture

On account of low precipitation, high rate of evaporation, and dryness of air, Manchurian agriculture follows methods as of Europe's dry agriculture. Rain water is preserved to give moisture to the soil in the dry season. On account of the conditions of weather such as mentioned above, the crops are mostly cultivated on dry lands. The species of crops grown are those suitable to dry weather such as soya beans, kaoliang and millet. Because of the high temperature of summer, rice may be cultivated up to the 47th parallel of latitude north. In South Manchuria cotton is grown.

Wheat, unlike in Japan, is sown in spring and harvested in autumn. The short growing season permits only a single crop a year. Because spring and autumn are short, all farm labor is concentrated in the summer, there being heavy demands for labor on the fields in this time of the year. It is because of this condition of agriculture that there is always a seasonal movement of labor to Manchuria from Shantung and Hupei before the agricultural season opens.

GEOLOGY

Much still remains to be explored as to the geological formation of Manchoukuo. What little light that has been thrown on the subject is either fragmentary or local. But from the extensive investigations now going on in the country under the direction of Japanese engineers and exploring parties a fairly complete picture may be expected in due course of time.

Outstanding features of the geological condition of Manchoukuo are sequences of rocky formations of very ancient periods occurring in many parts of the country side by side with the rocky layers of recent origin, and the conspicuous absence of strata of intervening periods. It is characteristic that rocks of ancient geological eras are marine in nature and strata of recent periods are generally terrestrial. Another point of importance to be noted is the horizontal conditions of strata, except in some limited areas, showing that the land of Manchuria and Mongolia has been subject relatively to small warping movements. The accompany tables of geological survey mainly based on Murakami of Japan for Manchuria and on that of Berkey, Morris and Grabau, for Mongolia give a fairly comprehensive picture of the geology of the country.

Geological Conditions of Manchuria. Manchuria in many places presents granite and other rocks of high antiquity. The geological formation of the land over many ages is shown by a wide distribution of granites and extensive exposures of rocky beds of very early periods. In contrast, any formation of periods ranging from Silurian, Devonian, sub-carboniferous, Triassic times, is absent. It is also a characteristic of the land that volcanism has played little part in the geologic history of the country, volcanic intrusion being noticeable only in exposures of recent rocky formations over limited areas.

From the tectonic viewpoint, the Hsingan mountain range in the west and the Changpaishan range in the east are important. The former range presents long rocky folds, the western side of which is covered by sand and the eastern side marked by precipitous declivities. The latter mountain range forms the eastern ridge of the central plains lying between the two ranges.

The Sungling mountain range lying generally between Fengtien and Jehol Provinces is of considerable geologic interest. In the northern section the range runs northeast as far as Tiehling on the main line of the South Manchuria Railway, and from that point on takes an easterly course as far as Paitoushan (Hakutosan) on the Korean border. The area south of this range presents formations of Cambrian, Ordovician and even earlier periods. Considerable deposits of fireproof clays, magnesite, and haematite are known to occur there. The area north of this mountain range is marked by conspicuous absence of any such ancient strata, granite and gneiss layers being generally found under the Mesozoic formations. Along the whole mountain range are found distinct overthrusts of Palaeozoic origin.

North of the latitude of Peking the prevailing direction of the mountains and the strike of strata become northeast. From the Nankou range north of Peking begin the Mongolian plateau, the basement of which is chiefly constituted by Archaen gneiss overlaid by in some parts by later sediments. A wide area is also covered by Tertiary basaltic flows. This vast plain is cut by vertical faults or flexures which form the origin of the Tatsing (or Ouratou) and the Great Hsingan mountains, the great steps by which the Mongolian plateau descends to Ordos in one direction and to Manchuria in the other.

Loess

Loess is a geologic feature common to North China and to no small portion of South Manchuria. This yellow soil consists mainly of clay, carbonate of lime and sand. Its origin is generally explained by the joint action of wind and rain. The dust and sand of the central Asian steppes have been mixed with countless generations of decaying plants. Rain is at once absorbed by it, and streams cut their way through it to the sub-soil, leaving a vertical wall on each side, often hundreds of feet in height. Loess soil bears excellent crops; but because irrigation is impossible, the country where it occurs is dependent entirely on a favorable rainfall. Loess in places attains a thickness of 2,000 feet, and is found at altitudes of from 6,000 to 8,000 feet.

The fossils found in the loess consist of **Helicidae** shells, Ostrich eggs **(Struthiodithus chersonensis)** and tusk and molars of an elephant closely related with **Elephas namadicus** which was first found from Narbada valley of India.

Geological Conditions of Mongolia. The land of Mongolia, or rather Inner Mongolia more strictly speaking, naturally shares many geological features with Manchuria, with which it forms the territory of Manchoukuo. But there are two distinct characteristic features of the geology of Mongolia. First, the lower areas are under desert sand, seldom exposing rocky formations, but the mountainous areas present rocks of considerable antiquity. Secondly, there is a clear-cut distinction between rocky formations of

Table 18. GEOLOGIC FORMATION OF MANCHURIA

Chiefly based on the report by Professor Murakami

Geological Period	Principal Rocks	Principal Fossils
Cainozoic Era:		
Quarternary Period	Sands, gravels, clays loess, basalts	Mammoth, bison, deer, reindeer elks, rhinoceros
Tertiary Period	Shales, sandstones, tuffs, basalts, trachyte, andesite	Ferns, sago-palms, Glyptostrobus, Comtoriphyllum, Populus, insects, spiders, tortoise, fresh-water fishes, etc.
Mesozoic Era:		
Cretaceous Period	Sandstones, shales	Eggs of sea-turtles, fresh-water fishes, etc.
Jurassic Period	Sandstones, shales, marls, conglomerates, coals, granite-porphyry, quartz-porphyry, liparite	Ferns, sago-palms, gingo-trees, conifers, bivalves, primordial mammals, etc.
Triassic Period	(Wanting)	
Palaeozoic Era:		
Permian Period	Limestone, sandstones, shales, coals	Lepidodendron, Sphenopteris, cordaites, Fusulia japonica, crinoids, corals, etc.
Sub-carboniferous Period Silurian Period Devonian Period Ordovician Period	(Wanting)	
	Limestone, shales, clay-slates, marls, sandstones	Cephalopods (orthoceras, etc.), gasteropods (maelurea, etc.), brachiopods (Obolus, etc.), trilobites (Ptychasyis), fucoids.
Cambrian Period	Limestone, marls, shales, clay-slates, sandstones, conglomerates, gabbro, Granites, porphyrites	Brachiopods (obolus, obolleta, etc.), pteropods, lamelli branchia, gasteropods (more than 70 species), trilobites, etc.
Protozoic Era	Crystalline schists, silica, clay-slates, Lydian stone, limestone, dolomite, ironstones, Granites, gabbro	Fucoids .
Archaean Era	Gneisses, crystalline schists, silica, crystalline limestone, granites	

Table 19. GEOLOGIC FORMATION OF MONGOLIA

Geological Period	Principal Rocks	Thickness in meters	Principal Fossils
Cainozoic Era:			
Quarternary Period: Alluvium	Sands, Gravels, Clays, Lacustrine deposits, Loess	1–30	
Quarternary Period: Diluvium	Sands, Clays, Gravels, Loess, Volcanic products	30–300	Elephas antiquus, horses, rhinoceros, etc.
Tertiary Period	Clay, Silt, Sands, Gravels, Shales, Basalts	1,200	Elephas antiquus, rhinoceros, boars, hipparion, serridentius, boluchitherum, Menodus, Protitanotherium, Teilhardia, Eudinoceras, Schlosseaia, Paleostylops
Mesozoic Era: Cretaceous Period	Granular red sandstone, Clays, Sands, Shales, Granites, Phorphyries, etc.	300–600	Protoceratops, Ignanodontia, Prodeinodon, Protiguanodon, fresh-wate shells, etc.
Jurassic Period	Conglomerates, Sandstones, Shales, Marls, Coals, Eruptive blocks, granites, Porphyries, etc.	150–3,000	Small fragmentary botanical fossils
Palaeozoic Era: Permian Period	Conglomerates, Sandstones, Shales, Limestones, Marls, Granites, etc.	15–600	Productus, Orthotychi Martinia, Lyttonia, Spi fer, Spiriferella, Stre torhynchus, Camaraph ria, Hemiptychina, E teleles, Marginifera, e
Dinantian Period	Conglomerates, Sandstones, Clay-slates, Limestones, Dolomites, Batholites of Granite, Intrusive Rocks, etc.	15–300	?
Protozoic Era: Older (Huanhai System)	Grits, Clay-slates, Igneous Rocks, Veins & Stocks	3,000–6,000	?
Newer (Wutai System)	Crystalline-schists, Phyllites, Limestones, Dolomites, Quartzite, Greenstones, Intrusive Igneous Rocks, etc.	?	
Archaean Era: (Taishan System)	Crystalline Limestone, Crystalline-schists, Gneisses, Intrusive Igneous Rocks, etc.	?	

Jurassic origin and those of Cretaceous and later periods.

The stratified layers of Jurassic period are marked with frequent faults caused under the pressure of upheavals. The mountains bear marks of severe destructive work of weathering. The rocks of Cretaceous and later periods show perfect conformability, although they have unquestionably been under warping movements on large scales at one time and another of history.

Jurassic formations which A. W. Grabau has termed the Mongolian geosyncline are marine in character and probably of palaeozoic period. They are widely distributed and often occur in thin layers. The rocks have gone through heavy metamorphic processes caused by igneous intrusions. But the Cretaceous and later rocks have been subject to strong warping movements, but free from marks of igneous activity.

The altitude of the mountains of Inner Mongolia seems to have been determined anytime around the Cretaceous or Tertiary period. The strike of the mountain ranges in the country generally take directions in conformity with the basins. It is therefore said that the Hsingan mountains, like some others, were upheaved by the subsidence of the Mongolian basins. The geognostic and stratigraphic line of distinction thus drawn through the middle part of the Mesozoic era is explained by the heavy volcanic activity of the period preceding it and the total subsidence of igneous action in the period following.

CHAPTER II

HISTORY

The history of the country marked off by the long stream of the "Black Dragon"—the Amur—on the north, by the far-flung range of Great Hsingan Mountains on the west, the "Long White Peaks"—Chang Pai Shan—on the east running from the Korean border up northward almost parallel with the coastline of the Maritime Province, and in the south vaguely merging in Chinese territory around the basin of the Liao River, had seldom been traced except as part of the history of China till the birth of Manchoukuo in 1932. Clio whom Chinese historians knew how to woo always faced southward. The tribes and races that moved across the grassy plains of Manchuria were many and some of them who made their abode there were not without achievements of their own. They were perhaps as deserving of attention as any racial elements emerging in the grey light of early history of east Asia, but they had no historian to chronicle their life or their doings. Kingdoms and dynasties rose and had their heroes of war but none versed in letters. Peoples who had little inclination to write about themselves left their histories for others to write.

The Chinese historians can never be said to have paid overmuch attention to what is now known as Manchuria or its inhabitants through historical periods. The peoples who lived beyond the palisades or the walls were grouped under the generic title of "barbarians". They were noticed only so far as they intruded upon the domain or the life that flourished within the Middle Kingdom. But those who now would take up the history of Manchuria should adopt another attitude, if their purpose is to be at all worth while. The new country which has been brought forth as an independent sovereign state "independent and inseparably bound" with its eastern neighbor, Japan, demands a new and different approach. Its history should be reviewed only in the light of racial achievements forming the foundation for what was to follow and destined to be greater.

ANCIENT MANCHURIA

At the dawn of history the land of Manchuria was inhabited in the east by the Tunguses who were called by different names such as Suchen and Suimai, and in the west by the Mongols, called Tunghu. The eastern and the western race were as often brought in contact as in conflict over the intervening grassy plains. Sometimes some of them overflowed across the River Yalu into the Korean peninsula and some others crossed the Great Wall into the Middle Plain of Cathay. Here they mingled and mixed with the Han or Chinese. Racial as well as territorial fusion took place in the east and in the south. In fact, it was often difficult to tell where northern Korea began or where southeastern Manchuria ended.

Speaking generally, the indigenous tribes of Manchuria were nomadic and achieved no civilization of their own. Kingdoms rose in Manchuria, and some of them were mighty enough to invade China and set up their rule there, but they were all content to accept Chinese culture, and even lose their own identity in the higher level of cultural life that had developed beyond the Great Wall. This process of cultural change also took place when streams of Han people infiltrated Manchuria.

Movements of tribes and races were often animated by warlike purposes and in such cases, it should be noted, the races that moved into China always first turned their attention to the east, to Korea. Either friendship or complete subjugation of the eastern provinces was necessary to secure the rear or the flank of the outgoing expedition. On the other hand, whenever the Han race moved northward to conquer, its attention was first given to Manchuria, thus securing its flank on the eastern side. The security of Manchuria has since ancient times been a determinative factor of the peace of east Asiatic peoples, even as it is today.

Ancient Races

Sushen. The oldest indigenous race of Manchuria was known as Sushen which was established around the region of Kirin when history dawned. This race, most probably of Tunguse origin, is now represented in the main by the tribes known as Gorido and Orochin. The Gorido, called the "Marten Tribe" by the Chinese, are now found on the lower course of the Sungari River and in the area around the rivers Ussuri and Horha. The Orochin, called "Fish-skin weavers" and "Reindeer Tribe" by the Chinese, are now found in the area extending from Honchun to the Ussuri River.

Yilou. In ancient China the Manchurian race was more commonly known as Yilou, the name Sushen being only recorded in literature as an ancient survival. According to the account given in the "Shin Shu", one of the earliest chronicles of China, this racial group seems to have lived in the area from the east of the Sungari River to the Maritime Province, with Sansing Cheng and Ningkuta as the center.

Wuzhi and Moho. The Yilou were called Wuzhi (Matkat) in the dynasty of Second Wei and Moho (Mathat) in the dynasties of Sui and Tang. These tribes assumed the name of Nuchen in the dynasties of Sung, Yuan (Mongol) and Ming.

Fuyu and Sumai. The name Sumai seems at times to have been applied to the tribes inhabiting near, or in Korea east of the Kaima Range. The Sumai spoke a dialect allied to Kaokouli. They were found under Han control in the Lolang Province in the First Han Dynasty, but attained an autonomous form of rule in the Second Han.

The Fuyu of whom more accounts are preserved seem to have attained the highest level of civilization among all indigenous races of Manchuria. They "lived to the west of the Yilou", that is, over the extensive plains of what was marked by towns like Nungan, Taonan and later Changchun (Hsingking). This tribe, chiefly engaged in agriculture, according to the "Wei Chih", built granaries and prisons. The land they cultivated yielded plenty of corn. The men, though largely built and brave by nature, were orderly in conduct and never looted. Under the king there were local chieftains for whom men worked as slaves. They lived on beans. They observed ceremony at meetings. At New Year's time they assembled and feasted and danced for days. When in their own country they wore white garments but when traveling abroad, they wore more gaudy clothes, men often using fox and marten skins and decorating their headgear with gold and silver. The laws were strictly observed. Homicides were executed and their families reduced to slavery. Those who stole had to return twelve-fold. Men and women guilty of adultery were executed. Over-jealous women were likewise punished. When an elder male in the family died his younger brother married his wife. They bred many cattle, horses, martens, long-tailed apes. They fought with bows and arrows, swords, and spears. Each household stored spikes which were put up around the house against an emergency. Whenever there was to be an armed contest, they held a religious service and sacrificed an ox. From its hoofs omens were sought and divined. Funerals were conducted in elaborate manners, those close to the deceased often sacrificing themselves.

Kaokouli. This tribe, of the same origin as the Fuyu, were more warlike. In many respects they attained the same level of civilization as the Fuyu. They lived in the basin of the river Tungchia (Fuliu Shui), a tributary to the Yalu. They spoke the same language as the Fuyu but their mode of dressing was different, according to an ancient account. Because they lived in mountainous regions and their land failed to provide sufficient food they seem to have made frequent incursions into other tribal settlements. The country was divided in five units one of which provided the ruler. The men were good fighters.

East Mochu.—This tribe lived in the northeastern part of the Korean peninsula, between Mount Hakutosan (Changpaishan) and the Japan Sea, east of Kaokouli. These people were tributary to Kaokouli with whom they were affiliated in many respects.

Tunghu. This tribe, which was recorded as inhabiting the region to the east of the Mongols, north of the kingdom of Yen, seems to have made its abode on the upper reaches of the River Liao. Its ethnic origins may be traced to Manchuria and Mongolia. Tsin Kai, a military leader banished from Yen, found shelter among these people and later turned against them and led a successful campaign. The king of Yen established five provinces in the basin of the Liao and Talingho rivers and built a long wall around them against the Manchurian tribe. This was the first instance in history of the Han people invading Manchuria.

Chitzu or Count of Chi. Of this legendary founder of Chaosien or Korea there are many doubtful points. This ruler of ancient Korea was most probably of Fuyu or Kaokouli origin and ruled the tribe inhabiting the southeastern part of Manchuria and the northern part of the peninsula. After Tsin Kai invaded the area to the west of Korea, they seem to have withdrawn eastward, making their abode around Heijo (Phyongyang).

Tsin Dynasty and Great Wall

When the Tsin Dynasty was set up in 230-221 B.C. the First Emperor, Tsin Shih Hwangti, lost little time to have the Great Wall built against the Mongols in the north, which was replaced in most part by the present wall in the Ming Dynasty. This extensive line of defense originated at Lintiao in the west and running to the south of the Gobi was said to have terminated at Liatung in the east. But there are doubts as to the terminal point of the wall. One school of historians hold that the wall came to an end in the neighborhood of the Liao River, while another school is of the opinion that the wall reached out as far as the area from the northeast of Kaiyuang to the upper reaches of the Yalu and finally ran in a southeasterly direction to the headwaters of the Daidoko (Daidonggang) in Korea.

The First Emperor divided the southern part of Manchuria in two administrative units; namely, Liaosi, comprising roughly the eastern extremity of what is at present Hupei and Fengtien west of the Liao River; and Liaotung, representing the central and eastern parts of what is now Fengtien Province. Archaeological remains excavated in recent years in the area of Tashihchiao, Liaoyang and Port Arthur bear witness to the presence of Chinese in this part of the country, but their number was unmistakably negligible, the main purpose of the Tsin administration being creation of a safety zone against the menace of the northeastern tribe.

That the Chinese regime in that part of Manchuria was far from secure may be seen from the fact that Lu Kuan who had been appointed as Prince of Yen by Emperor Kao-chu revolted and cast his lot with the Mongols. When the kingdom of Yen fell, one of Lu Kuan's followers, Wei Man, fled to Chaosien with his associates and usurped the domain of Chichun, a descendant of the Count of Chi, the mythical founder of Korea. This was the beginning of the Wei regime in Chaosien. This change of rule may be regarded as the first instance of the racial struggle which was to go on for ages between the inhabitants of the peninsula and those who invaded their country from the west.

Chinese Administration

Emperor Kao-chu of Han who had his hands full in dealing with the Mongols in the north, now grown strong under an able leader, tried to maintain friendly relations with Wei Man. But his grandson, Yuchu, later came to clash with Wu Ti, one of the mightiest emperors of ancient China, whose dynasty of First Han was to run from 140 to 87 B.C. Yuchan, betrayed by his own men, lost the field and the ruling house founded by Wei Man in Chaosien came to an end in 109 B.C.

Emperor Wu set up his rule dividing the southern part of Manchuria and the northern and western parts of Korea into four administrative units. They were namely Lolang, Lintun, Hsuentu, and Chenpan.

Loyang. This district included what are now Kokai and Keiki provinces, with the seat of government near Hiejo (Hyongyang). The inhabitants were Sumai, Han (Chinese) and some earlier tribe settled in the peninsula.

Lintun. Roughly placed in the area now known as Kogen province or the region east of the Kaima Range. The inhabitants were chiefly Sumai.

Hsuentu. Historians are at variance as to its exact location. In any case, this administrative district was either in the basin of the Yalu River in the south or in northern Korea known as the south and north provinces of Kankyo. The inhabitants were Wochu.

Chenpan. The location of this administrative unit is also disputed. Those who would place it northward believe that it extended from the middle course of the Yalu and ran northward into Manchuria, even extending as far as south of Kirin. A divergent view is held by those who would place it in that part of Korea which is now known as Chusei and North Jenra Provinces. The dominant racial elements was Kaokouli.

Chinese Influence in Manchuria

Emperor Wu's influence in these directions was not strong enough to maintain these administrative divisions for more than 27 years. They were then reduced to two units by combining Lolang with Lintun and Hsuenti with Chenfan. In other words, most part of the domain was abandoned to indigenous rule. Chinese influence remained more or less noticeable only in Lolang, the area of Hsuentu being completely over-run by the East Wochu tribe.

It is evident that Chinese influence infiltrated the northern and northwestern parts of Korea from Manchuria through Chinese officials sent out to rule and through Chinese settlers seeking opportunity there. But the Chinese rule thus established in time fell in decay as the fortune of the Han dynasty itself sank. The Chinese had prepared the way for the new kingdom of Kaokouli.

Chinese Administration in Manchuria

The administrative system set up for Manchuria in the Tsin dynasty was largely followed by the succeeding regime. There were three geographic units, namely, You Peiping, Laiosi and Liaotung.

You (Right) Peiping, comprising 16 districts, covered a good part of Jehol Province. In the east it reached as far as Hsifengkou, in the west embraced the area to the south of Chengte (Jehol) and as far as the seacoast in the southeast. In the north it seems to have been bound by Pingchuan.

Liaosi, comprising 14 districts, was bound by the river Talingho in the east, the lower course of the Lanho in the west, and the Sungling range in the north, its southeastern part reaching as far down as the sea. The seat of the government was supposed to have been at Chaoyang.

Liaotung, comprising 18 districts, extended from the left side of the Talingho in the west to the east of Kaiyuang, Fushun and Fengfangcheng. In the south it crossed the Yalu to the neighborhood of Lolang and in the southwest bordered on the sea of Pohai, the seat of the government being in Liaoyang.

Many archaeological relics have been excavated throughout these areas in Manchuria and northern Korea. From ancient tombs and elsewhere varieties of pottery, copper and iron instruments, coins, have been recovered. Though in smaller numbers, stones, instruments made of stone, glass, bone and laquerware, have been excavated. These ancient relics show that their workmanship was generally inferior to the level attained in China in the corresponding periods of history. It may be surmised that Chinese influence was limited in scope or scale, hardly discernible in areas where the Chinese administration remained less in practice than in name. The highest level of cultural life seems to have been attained only in Lolang according to an ancient tomb excavated in South Heian Province. Some of the works of art found there show that Chinese influence was dominant there from the first to the second dynasty of Han (200 B.C. to 219 A.D.).

KAOKOULI

The racial element known as Kaokouli whose origins are lost in mythical obscurity was a branch of the Fuyus, adopting the name Kaokouli only after they had settled down in the basin of the river Tungchiakiang (Fuliu shui), a tributary to the Yalu, originating to the south of Kirin. According to the generally accepted version, the Kaokouli tribe set up their own kingdom in 37 B.C., by defeating the Fuyus. The warlike policy of the Kaokouli was directed for successive generations against the Chinese territory of Liaotung and Liaosi, with varying fortunes of war.

Chinese Territory in Manchuria in Second Han Dynasty

The Chinese territory in Manchuria remained only in small part in the dynasty of Second Han: Liaotung Province which had comprised 10 districts and a population of 272,539 in the time of First Han had lost half its former land and two-thirds of its inhabitants. Liaosi Province which had in the former dynasty 14 local units and a population of 352,325 accounted now only for five districts with a total population of 81,714. The province of You Peiping likewise shrank from 16 districts to 4 and from 320,780 to 56,475 in population. The loss of Liaosi and You Peiping was in large part due to the invasions of "barbarians beyond palisades" such as Sienpi and Wuhuan. Their power grew so much in the Second Han period that the Chinese rulers at a time were able only to guard and maintain the lines of communciation between Shanhaikwan or Hsifengkou and Liaotung.

Against Kaokouli uprisings and invasions Chinese generals, Ssumayi and Wuchiu Chien, were sent out after the establishment of the Wei dynasty. Especially the latter's name is frequently mentioned in the mostly successful campaigns led against the Kaokoulis. But when it is known that, when Wuchiu Chien was to lead an expedition against Kungsun Yuan, the last of the house that ruled Liaotung on an independent basis, many inhabitants fled from Liaotung to Shantung Province, creating there three new districts, and the military power of the Wei dynasty seems to have asserted itself only over a limited area of south Manchuria. It was not surprising that the Kaokoulis repeatedly assailed Liaotung and Liaosi, although their own position was often menaced by the growth of non-Chinese tribes known as Sienpi and Wuhuan under a leader like Muyung Kwei.

Kaokouli's Expansion. Kaokouli's territory and influence grew after Hao Tai ascended to power in 392 A.D. His forces invaded Liaotung and in 402 A.D. captured Liaoyang, establishing Kaokouli influence over that part of south Manchuria and also over the area around Fengtien and Kaiyuang. In the east Kaokouli extended its territory as far as the Japan Sea and in the south to the region now marked by Keijo (Seoul). King Chang Shou (413-490 A.D.) who next ruled sought friendly protection of Sung and North Wei, the two rival dynasties in China, and extended his dominion as far as the Han River in the Korean peninsula. Kaokouli's invasion would no doubt have continued further southward but for Japan supporting Pekche. In short, Kaokouli at its height ruled two-thirds of the whole peninsula and a good part of South Manchuria.

In the last quarter of the sixth century the Kaokouli ruler, employing 1.8 million laborers, built a long wall over a distance of more than 900 Li from Hsiakou, to the north of Yuchow and to Hengchow. In the year following, it is told, this wall was extended as far as the seacoast, making its total length more than three thousand Li. It is presumable that the great wall was completed from Chuyungkwan to Shanhaikwan or its neighborhood, thereby making the former provinces of You Peiping and Liaosi an extra-mural area. Thus the Chinese court abandoned Liaosi and the neighboring part of Manchuria to incursions of the Khitans and Tartars who had been gaining in power.

Kaokouli's Downfall. In 642 A.D. Kaokouli, forming an alliance with Pekche, began to invade Silla which appealed for help to Emperor Tai-tsung of the Tang. The Emperor's advice sent to Kaokouli being ignored, he resolved on a punitive expedition, which was undertaken two years later. His forces, a hundred thousand strong, were sent forth by land and sea, he himself leading them in Liaotung. The expedition, however, was only partially successful. At the beginning of the year 647 Emperor Tai-tsung led the second expedition against Kaokouli but again failed to advance beyond the area around the Tatzuho river. His military undertaking was resumed by his successor, Kao-tsung, who began to assail the eastern enemy in 655 A.D., but it was not till 668 that Kaokouli was subjugated. The kingdom of Kaokouli thus came to an end after its existence of 705 years, there being 28 kings in power. Its domain, comprising 176 castle-towns and 697,000 households, and lying to the east of the Liao River, was divided in 9 Tufu, 42 Chow, and 100 Hsien, with the seat of the protectorate government at Phyongyang (Heijo). This government offered many offices to natives in order to appease them, but after the death of the first governor in 679 A.D., there were incessant disturbances in one part of the peninsula or another. In less than a score of years Ta Chuyung, a native of the Sumo division of the Moho tribe was to set up his own regime as king of Pohai.

Cultural Life of Kaokouli

There is but little literature throwing light on Kaokouli's cultural activity. Chinese civilization became dominant in the time of the 24th ruler, Yang Yuang, who reigned from 545 to 558 A.D. The native inhabitants observed a form of ancestor worship and a polytheistic religion based on nature worship. The study of Chinese classics became general with the introduction of Buddhism in 372 A.D. In the following year a ''university'' was founded for the education of the younger generation. In the following year the laws were codified and put in force. In 374 A.D. Buddhist monasteries were built for the two priests come from China. In 392 A.D. the king ordered nine monasteries to be built in Phyongyang. Kaokouli, although it adopted Buddhism earlier than either of the two other kingdom of Chaosien, lagged in other branches of learning. For its history was not set down in writing before 600 A.D. when an ancient chronicle consisting of 100 volumes was newly compiled in five sections. In 624 the teaching of Lao Tzu was introduced from China to replace Buddhism to an increasing extent.

Artistic attainments of Kaokouli are to be seen in a number of ancient tombs found in its old site. There tombs are distributed in the area of which Phyongyang is the center, around Haicheng in Fengtien Province, and around Chian and Fengwangcheng in Antung Province. Of the ancient tombs which are in most cases built with stone 14 have mural paintings, bearing testimony to artistic attainments of no mean order, although Chinese influence is apparent in all cases.

Kingdom of Pohai

In 696 A.D. the Chinese garrison at Yingchow, in Liaotung, was defeated and the Chinese government under the Antung “Protectorate” virtually came to an end, having withdrawn to Yuyangcheng, northeast of Peking. The fall of Chinese political influence was also due to the expansion of Silla which had now annexed Kaokouli's territory to its own.

Ta Chuyung, the founder of the kingdom of Pohai, was a sub-officer of the Chinese garrison when Yingchow was assailed by the Khitans, and fled eastward to the old home of Yilou, with the remnants of Kaokouli. On this account he is considered to have been of Kaokouli origin. In another version he is traced to the Sumo division of the Moho tribe. In either case he was of non-Chinese stock.

The Tang ruler sent out an expedition which Ta Chuyung met at Tienmenling and defeated. He set up his own kingdom which he called Chen Kuo (Eastern Kingdom). Although different dates are ascribed to the foundation of his kingdom, it is known that Emperor Chung Tsung (684-709), the 4th ruler of Tang, had reason to seek friendly relations with this eastern neighbor, appointing its ruler “Prince of Pohai and Governor of Hukhan Province” For a period of 121 years under the rule of 9 successive kings Pohai, although it paid tribute to Tang, remained an independent state often following an expansionist policy.

Pohai Territory. From 794 to 830 Pohai enjoyed a peaceful reign, maintaining friendly relations with Tang and Japan. At the time of its 10th ruler, Hsuan (820-830), its territory extended from the northeastern part of the Korean peninsula northward to the Sungari and the Amur, taking in the area of Kaiyuang, Changchun, Nungan and as far as the Japan Sea on the east. A system of administration largely on the Chinese model was introduced over the country which was divided in 5 “king”, 12 “fu”, and 62 “chow”. The central government itself was organized on the Chinese pattern, with divisions and sub-divisions under the chief executive.

In the second quarter of the 9th century Pohai was found on the decline. Its history, mostly lost in confusion and obscurity, was woven with that of Tang in its last days. The fall of Pohai is explained by the corrupting and enervating effects of the cultural life copied from China. In 924 the country began to be torn up. Two years later Yalu Apochi, a leader of the Khitans, captured Pohai's capital, Hukhan, and reduced the country to a tributary renaming it Tungtankuo.

Life and Culture. Pohai first took over the cultural life of Kaokouli and next turned to Tang. Toward its declining period it had rather close intercourse with Japan. There is also reason to think in the light of recent archaeological discoveries that it had relations with the Tartars of Karakorum.

Historians of Wei and Sui tell that the people of Pohai lived in caves dug underground. The men wore animal skins and the women clothes of woven material. Men hunted with arrow-heads made of stone and raised livestock. “Being brave and clever,” writes an historian, “three men of Pohai would be equal to a tiger.” They observed, unlike the Khitans and the Nuchens, a strictly monogamous rule. After coming in contact with the Chinese, the upper class of society adopted polite letters and easier life which were to have a ruinous effect upon their morale. For religion they, like many other Tunguse tribes, seem to have followed Shamanism which is seen in relics excavated from the ruins of the Kin period.

Intercourse with Japan. Pohai sent its first mission to Japan in 727 and the last in 892. Its purpose was trade, but the commissioners from Pohai were often treated as guests of state. The list of articles brought over from Pohai includes skins and furs of animals such as tiger, marten, bear, leopard; ginseng; honey. In return Japan sent out silk and cotton goods, gold and silver, lacquer, etc. This trade, however, was found so unprofitable from the Japanese standpoint that it was later restricted to one exchange of missions in twelve years.

Remains of Ancient Capital. Hukhan, the capital of Pohai, has been traced to the neighborhood of Shalantien, some 15 miles to the southwest of Ningkuta, in the district of Ningan in the province of Pinkiang. The ruins of the ancient walled town lie on a plain bordering on the Sungari River. The ancient site extended 4.6 kilometers east to west and 3.3 kilometers north to south. The remains of the imperial palace are found near the center of the ruined town, taking up a space 580 meters east to west, 840 meters north to south. A broad way, running through the middle of the town suggests that the town was planned on the model of the ancient Chinese capital at Changan. Painted, lettered, and patterned tiles and other relics found on the spot bear witness to the level of artistic workmanship of the Pohai period.

Manchuria of Liao Period

The Khitans who subdued Pohai are first mentioned in the "Weishu". In the history of Tang they are placed in the ancient home land of the Sienpi to the south of the Shiramuren river. Ethnically, they seem to have been closely allied with the Mongols. They were chiefly hunters, having no settled homes. The largest section of the tribe was Taho, which was divided into 8 divisions. The chief of each division was called Tajen. From these chieftains was chosen the king. Their customs were very similar to those of the Tartars of Mongolia.

Originally nomads, the Khitans were slower in evolving from a tribe to a state. In the Tang dynasty their territory, with Chaoyang as its center, extended eastward and westward covering a total area of 2,000 square "Li". In the time of the "Five Dynasties", they freed themselves from Chinese rule to an increasing extent and their territory further expanded in area. And their racial activity became even more striking with the coming to the fore of their chieftain Yalu Apochi at the beginning of the 10th century.

Yalu Apochi (Yelu Apoki) became the tribal chieftain in 907 and, having killed all those who might dispute his position, he declared himself king in 916 A.D. setting up his capital at Linhuang which is now Boro Hotun of Palin League of Inner

Mongolia. He led his military expedition first against the tribes in the north, next against those in the west, and lastly against Pohai in the east, as already mentioned. After the fall of this eastern kingdom, he turned homeward but died on his way. His second son, Yalu Tekuang, who succeeded him, turned his attention southward to China, defeating the forces of Second Tang in Chihli and Shansi.

Khitan at this time ruled from the Ordos in the west to Ninguta on the Ussuri, and from Peking to the Sungari He adopted for his kingdom the name of Tai Liao or Great Liao. Ching Tang, one of his generals, was appointed Emperor of Second Chin and rewarded with "16 northern provinces", taking in the northern parts of what are now Hupei and Shansi. He was to make an annual tribute of 300,000 pieces of cloth to the Liao court.

The second Khitan chieftain died soon after the establishment of his state. Under the reign of the three following kings the fortune of Liao sank and remained low. But Sheng Tsung, the 6th ruler, was able to extend the Khitan domain at the expense of China under Sung and other races. He was often engaged not only in the south but also with Kaoli which had arisen in Korea since 918. In the latter direction, however, he was not always successful. Although at the height of his power his domain extended over Manchuria and the northern part of Korea as far as the Japan Sea, it was doubtful if he was able actually to enforce his rule very far in those directions.

Liao which chiefly turned to China for the cultural leadership freely adopted the administrative and other systems of Tang. The country was opened to Chinese immigration. Many public offices were offered to Chinese. But their influence proved ruinous in the end. In the 4th year of the ninth ruler, Tien Tsu, the Nuchens of Manchuria rose to power and, together with Sung, defeated Liao. Thus, after a reign of 210 years the Khitan kingdom came to an end in 1125 A.D.

Liao's Cultural Life. Khitan had hardly any form of cultural life that it would claim as of its own. Its government was modelled on the Chinese pattern. Towns were planned and fields were cultivated by Chinese. Except in the army the Chinese were given the same position and treatment as the Khitans.

One of the noteworthy achievements was the development of the Khitan letters, supposedly three thousand in number, though they are preserved only in fragments. For religion they seem to have followed Buddhism, Shamanism and Nestorianism which had been introduced to China in the Tang dynasty. A number of Buddhist temples remain to date testifying to the influence of the faith. Some of the paintings found in ancient tombs show that this ancient race produced artists of no mean order, although they were mostly pupils in the school of China and sometimes evincing the influence of Arabic art. It is also known from historical accounts that the learning and arts transplanted from Liao chiefly flourished under the aegis of courtly circles.

Manchuria of Chin Period

The Nuchens or "Golden Tatars" who overthrew Liao and later set up the kingdom of Chin or Gold were a division of the Moho tribe and originally called the "Black River Moho". When Liao rose to power the Mohos living to the southwest of the Sungari acknowledged its suzerainty, but those of the tribe who lived to the northeast of the river remained free from Liao control. These Mohos called themselves Nuchens, and a division of this tribe called Wanyen began to develop its area around Huining under its firse leader, Han Pu, who was about contemporaneous with Yalu Apochi, the founder of Liao. In the time of this tribal leader, the Nuchens seem to have turned from nomadic to agricultural life.

The external expansion of the tribe began under Wukuai who was born in 1021. His forces first conquered the area bordering the Tumenchiang river and next the country close on the Japan Sea, thus ruling the area fringing the eastern sector of the kingdom of Liao. The Nuchens were also brought into conflict with the rising kingdom of Kaoli in the Korean peninsula. The southern coast of Kaoli was frequently plundered by the Nuchen pirates who in 1019 had invaded the Japanese islands of Iki and Tsushima and the northwestern coast of Kyushu.

The Nuchens had an able leader in Akuda, one of the greatest heroic figures in the history of Chin. Massing his forces at the Lalin in 1114, he defeated the Liao armies on the northern side of the Sungari and conquered the area from Kirin to Hsienhsing. The decisive battle won by the Nuchens is inscribed on the monument erected on the old battleground in the 25th year of the fifth

king of Chin (1115 A.D.) and brought to light in 1933 by a Japanese archaeologist. In the year following this battle (1115) Akuda proclaimed himself emperor and his country Chin or Gold. Of the origin of the name "Chin" there are various interpretations which, however, are of little importance.

In 1118 Akuda who had taken the imperial title of Tai-tsung led his army into the "eight provinces" of Changchun and Liaotung and captured the capital of Liao. In the following year the Sung court was ready to form an alliance with the rising Nuchens even on condition of surrendering 16 provinces of "Yen-yun" and paying an annual tribute. But, in pursuit of the last emperor of Liao and his army in rout, the Nuchens in 1127 entered the town of Kaifeng.

The last two emperors of Sung, with prisoners of war numbering some 1,200, were taken back to Manchuria. These emperors were first kept at Pamiencheng, south of Changchun, and later at Wukuocheng in the neighborhood of Sansingcheng, where they stayed till their death.

Kingdom of Chin. The kingdom of Chin reached its height in the time of Hsi-tsung, the second emperor. Peace was concluded with Southern Sung in his 7th year (1141). Sung, declaring itself a vassal state to Chin, agreed to pay tribute each year and set its northern border on the line from the Huaishui river in the east to Tasankwan in the west. With the annexation of Sung territory, the domain of Chin included not only the part of Manchuria taken from Liao and the whole of Inner Mongolia, but in addition all of the area now represented by the six provinces of Kansu, Shensi, Honan, Shansi, Shantung, Hopei, together with some part of Hupeh, Anchi and Kiangsu.

For the rule of this extensive land Chinese administrative systems, chiefly of the Tang dynasty, were adopted. The study of Chinese classics and poetry was encouraged by the emperor who himself was glad to have a shrine built to the memory of Confucius. His civil administration would have led to a higher order of cultural life had he not taken to loose life and debauchery. He was killed by his own cousin in 1149. Liang, the usurper, was an unscrupulous despot whose tyrannical reign might have proved fatal but for his able successor, Shih-tsung, who ruled peacefully. He dealt leniently with the court of Southern Sung which had purchased peace, reducing its heavy annual tribute to 200,000 taels of silver and 200,000 pieces of silken goods.

Combating Chinese Influence. One of the most important features of the reign of this wise emperor was seen in his policy for preservation of the racial customs and tradition. This policy was stressed in view of the process of sinicization to which all races invading China had succumbed, and his own proved no exception. In his 13th year (1173) he ordered all the younger generation to be sent back to Huining, the birth place of the Nuchens, so that they should learn the way of their own people. He ordered Nuchen music to be introduced to replace the rage of Han music. All rulers of principalities who failed to use the Nuchen language were dismissed from office. In 1183 Chinese classics were translated into the native tongue.

His grandson, Chang-tsung, who next ruled also adhered to the nationalist policy. In his seventh year (1196) he prohibited all his people to wear Chinese garments and adopt Chinese surnames. Confucius himself fell in disgrace. The "History of Chin", paying high tribute to the enlightened reign of this emperor, says: "Peace reigns long in the country. The Government and learning have been put in proper shape. The laws have been arranged. Official systems have been set up. It is a glorious reign leading to material and spiritual welfare." But the emperor failed to rule with a strong enough hand. Signs of unrest began to appear in the country.

Downfall of Chin Kingdom. In the time of his successor, Wei Shao, the situation went from bad to worse, with frequent political disturbances in the country and many soldiers deserting to flee out of the country. The Mongols under the leadership of Jenghis Khan in 1211 invaded the area within Chuyungkwan, the barrier north of Peking. Three years later the Mongols besieged Yenking or what is now Peking. Chin's capital was transferred to Kaifeng. In the year following, the Mongols, having captured the former Chin capital, advanced their forces southward. The Chin forces were only able to stem the advancing hordes along the Yellow River and at Tungkwan while Jenghis Khan's attention was engaged further west, Chin came to terms with Southern Sung.

End of Chin Kingdom. After Jenghis Khan's death in 1227, his third son Ogdai was chosen as Khan. With Yeh-lu Tsu-tsai and Tu-le as his chief lieutenants, he resumed the campaign against Chin in 1230. Breaking through the strong defenses at Tungkwan, his forces lay siege to Kaifeng and next Ju-ning in Hunan province, where the capital had been removed. Upon the fall of the former town, a number of Chin princes and princesses and their vassals, numbering 500, were captured and sent to Karakorum. When the latter town fell in 1234 the last emperor of Chin dispatched himself and the "Golden" dynasty of 9 emperors and 120 years came to an end.

When Chin proclaimed itself an independent state by overthrowing Liao, it established five principal cities of which Huining was the capital until the fourth emperor transferred the capital to Yengking (Peking). The ruins of the ancient castle of Huining have been found to the south of Arshihka station of the North Manchuria Railway (former Chinese Eastern Railway). The place was investigated in 1907 by Kurakichi Shiratori, Japanese historian, who found relics proving the identity of the ancient ruins. The city of Yenking which the fourth emperor seems to have built by reconstructing and extending what had been left from the Liao dynasty was, according to an ancient account, surrunded by walls 75 "Li" long. The northeastern section of these ancient walls forms part of the present inner castle wall of Peking.

Manchuria Under Chin

As the cradle of the imperial race, Manchuria was regarded and ruled as a special administrative unit. What is at present Manchuria comprised 5 Lu (Road) out of the 19 of which the whole domain of Chin consisted. These administrative divisions comprised the local units which may be identified with the modern geography of the country as follows:

1. Shang King Lu (Upper City Area): Heilung Province, part of Heilungkiang Province, Kirin Province, Pinkiang Province, Sankiang Province, Chientao Province; administrative center, Huining (near Fangcheng in Sankiang Province).
2. Hsien Ping Lu. Fengtien Province, northern sector of Antung Province, Kirin Province; administrative center, Hsienping Fu (near Kaiyuang, in Fengtien Province).
3. Tung King Lu (Eastern City Area): Fengtien Province,

and southern section of Antung Province (east of the Liao River); administrative center, Liaoyang Fu ,Fengtien Province).

4. Pei King Lu (Northern City Area). Chinchow Province, Chahar Province, the greater part of Jehol Province; administrative center, Tatung Fu (near Lingyuan, in Jehol Province).

5. Hsi King Lu (Western City Area). Part of Jehol Province, Suiyuan Province, northern section of Shansi Province; administrative center, Tatung Fu (Tatung in Shansi Province).

Each "Lu" was further divided into "Fu, Chow, Chun, Cheng and Hsien". Each "Fu" was under the jurisdiction of a lieutenant-governor. In the Upper City and the Western City Area, representing the birthplace of the Chin race, there were additional "Lu's" chiefly providing for the welfare of the native population.

Economy and Culture of Chin

Chin, according to its historians, retained in circulation the coins of Sung and Liao until the fourth emperor had copper coins minted by mobilizing copper resources in his domain. But there being varieties of bad private currencies in circulation, the same emperor in 1154 ordered paper money to be issued in order to adjust the chaotic condition of currency. This system was an imitation of the "Chiao-tzu" notes of the Sung dynasty. The paper notes were issued without term of redemption but with a promise for replacement with new notes when torn and worn beyond use. The circulation of paper money went on increasing with the result of forcing out of circulation all metal coinage of better quality. The excessively inflated circulation of paper money may be regarded as one of the causes for Chin's downfall.

The Nuchens had no letters of their own. The Khitan letters were commonly used until its first emperor in 1119 had the Nuchen letters devised by one of his scholarly vassals. These letters were called the "Large Nuchen Letters" to be distinguished from the "Small Nuchen Letters" which were devised in the fourth year (1138) of the reign of the third emperor. These two forms of letters were used in common with the Khitan and Chinese.

The Nuchens were originally unlettered people but their imperial rulers were sedulous scholars in Chinese classics. Under their patronage Chinese scholars were invited to their country and

charged with the popularization of scholarly pursuits. The modern Chinese drama assumed its form in Chin. Printing of books was done in the southwestern part of Shansi Province.

The Nuchens' manners and customs are fully described in the "Ta Chin Kuo Chih" (History of Great Chin). They were agricultural and good hunters. The men were brave and good riders and often warlike. Their houses were mostly made in mountains and valleys. Homes were enclosed with trees and covered with pieces of board and bark. The floor on which people sat and slept was made of mud and heated from under in winter. People mostly favored white garments and wore queues, hanging them long on their backs. The custom of wearing queues was enforced on the Chinese in the seventh year (1129) of the second emperor. There being no medical knowledge, the patients were attended on only by magicians.

Several forms of religion seem to have been followed, Shamanism perhaps being the oldest to be adopted. Nestorianism was also not unknown. Buddhism, though placed at times under imperial patronage, seems to have fared worse than under the Liao dynasty, there being even instances of prohibiting its practice.

Chin, unlike Liao and Pohai, had little intercourse with Japan. The existent records only show that in ancient times Nuchens invaded the northern shore of the mainland and some part of Kyushu; and that shipwrecked men sometimes drifted to this side of the sea.

Manchuria of Yuen (Mongol) Period

Under the reign of the Mongol emperors (1205-1367) Manchuria remained more or less detached from the current of events that marked the history of China, Mongolia, Korea and central Asia. Manchuria was through this period the homeland of various races, namely, Chinese, Khitans, Nuchens, Mongols. There were uprisings and attempts at revolt, but none of them had any serious effect on the main current of the time. The peace and order of Manchuria, however, was a matter of importance to the Mongol throne as it conducted campaigns in the south, in the west and in the east. The Mongol rulers, from this standpoint, seem to have adopted, if anything, an appeasement policy with regard to the tribes and races inhabiting the plains of Manchuria.

THE MONGOLS

The first of the tribes known by the common name of Mongols had its original home in the area to the northeast of both Lake Dalai-nor and the river Argun. From these places they gradually drifted westward. In the reign of Liao and in the earlier part of Chin they were content to live as nomads on the plains bordering the upper reaches of the rivers Onon and Kelulien in the northeastern part of Outer Mongolia. Their ethnic origin is generally traced to branches of the Tatars. The Mongols, however, never called themselves Tatars (Tartars).

When the eighth emperor of Chin, Hsuan-tsung, ascended to power in 1214, there were two independent kingdoms in Manchuria. The northern kingdom, with its capital at Kaiyuang, was called Liao and founded by Yenlu Liuko, a Khitan soldier, who had revolted against Chin. The southern kingdom whose capital was at Liaoyang was called Ta Chin (Greater Chin), its founder being a Nuchen general named Puhsien Wannu or Bugannu as given in the "History of Jhengis Khan". He had been sent out by the Chin emperor in charge of an expedition against Liuko but rebelled after an unsuccessful encounter with this Chin leader. Meanwhile, the Mongols having established themselves in Liaosi, the influence of the Chin dynasty had virtually been driven out of Manchuria. The two kingdoms of Manchuria above mentioned were in turn driven off to the eastern part of Manchuria as the Mongols extended their rule practically all over the country. However, a large part of the Khitans who had been expelled from Manchuria made their way into Korea and came into clash with Kaoli

Ogdai who had led his army into China against Chin also sent an army against Kaoli in 1230. The Mongol expeditions against the peninsular kingdom were repeated six times until Kublai Khan ascended the throne in 1259. The Korean kingdom was subjected to complete vassalage in the following year.

Conditions in Manchuria. Jenghis Khan placed the administration of Manchuria in the hands of his younger brother, Uchigen, and other members of his family. But they became in time rebellious so that Kublai Khan himself in 1287 led his army into South Manchuria. In the following year both Manchuria and East Mongolia were under his complete control.

The Mongol court directly ruled China proper, Manchuria, Mongolia, Tibet, Chinghai, while Kaoli and Annan were treated as protectorates. China, Manchuria, and Mongolia, taken as an administrative unit, were divided into 11 provinces and these provinces, in turn, into 186 Lu (Road). Manchuria and a part of Mongolia were placed under the jurisdiction of the central administrative office at Liaoyang.

In the dynasty of Luen at Peking the Mongols were given first place in society and the "western border people" second place, while the Chinese who had been under the rule of Khitan, Nuchen and Chin as well as the Kaolians were all grouped under the name Han and accorded third place. The Mongol rulers placed the least faith in the Chinese who had been under the rule of Sung, these being called the "southern people". This section of the Chinese was treated more harshly than the former subjects of Liao and Chin. It may be assumed that the Manchus under Mongol rule had little cause for discontent or unrest. In fact, there is no instance of any race of Manchurian origin rising in revolt against the Mongol rulers.

Remains of Mongol Rule. There are few vestiges of the cultural life achieved in the period of the Mongol regime, so far as Manchuria is concerned. Next to nothing has been reclaimed of Mongol tombs or architecture. The heritage achieved in the Mongol dynasty was in no small part bequeathed to the periods of Ming and Ching (Manchu), but it underwent so complete change in those succeeding ages that it is hardly possible to recognize its original characteristics.

The most noteworthy relic of Buddhism in Manchuria is now seen in the Tibetan letters inscribed on the gate at Chuyungkwan, north of Peking, forming an entrance to Manchuria by way of Jehol. It is set down there that Buddhism was introduced to Manchuria for the benefit of its people through Kumd-Gaha-Rgyalm-Tshan. This priest who was also known as Phagspa was invited from Tibet to engage in his religious mission in Manchuria. It was this Tibetan priest that developed the Mongol letters. Whatever may have been his success in the religious field, Lamaism was most popular then as it is with the Mongols at present.

It may be no exaggeration to say that this degenerate form of Buddhism contributed much to the ruin of the Mongols or their dynasty.

Manchuria of Ming Period

The Chinese regime that replaced the Mongol was to continue for three centuries under the title of Ming. A successful military campaign carried into Manchuria in the earlier part of the dynasty brought the country under its control. Chinese systems of civil and military, mostly military, government were instituted as Chinese influence became increasingly dominant. The indigenous tribes which divided the country among them accepted the supremacy of Chinese arms, and adopted many features of the higher order of cultural life brought in from the south, but at the same time gathered their own strength and abode their time. One of them was able to become so powerful as to overthrow the Chinese dynasty and ascend the throne at Peking to proclaim its rule over China. The achievements of Chinese rule in Manchuria through this period, despite its long duration, may be reckoned mostly in terms of miao or shrines dedicated to the memories of ancient masters of arms and letters and in those of temples built for various beliefs brought in from outside, "in accordance with the infinite thoughtfulness of the rulers who would bring purity and rapture to the minds of their people", as runs the historic inscription on the wall of Chuyungkwan.

Return of Chinese Rule. When the fortune of the Mongol regime sank low, it had to yield the central plain of China to its own people. Shun-ti (1333-1368), the last to ascend the Mongol throne, was a ruler "in whom were summed up the vices and faults of his predecessors." Revolts broke out and finally this descendant of Genghis Khan was compelled to fly before Chu Yuen-chang, the son of a Chinese laborer. In 1367 this Chinese proclaimed himself Duke of Wu in Nanking, but it was not till thirteen years later that he was willing to declare himself emperor.

Manchuria and Korea. The last Mongol emperor, Shun-ti, pursued by two Chinese generals, Hsu Ta and Chang Yu-chun, first fled to Peking and next to Kaiping. In the following year he was again assailed by the Ming armies and compelled to move to Ying-chang, near Dali-nor, and met his end. His son Aiyu Shihlitala sought refuge at Karakorum and, declaring himself a great

Khan, tried to recover the Mongol domain but died without success in 1378. His son Togusu-timur took up the same ambitious undertaking but in 1387 was defeated by the Ming army and later killed by one of his own followers. After that the Mongols were torn up with internecine strife and known to the Chinese as the Tatar section in the following years.

The first emperor of Ming, while extending his rule over the Mongol area in the north, had to be on the guard against Manchuria which was then the homeland of a section of the Mongols and those who had been their followers. To the southeast was Kaoli of the peninsula which had been in friendly relations with the Mongol court. The area around Liaoyang was frequently a scene of hostilities among opposed interests. It was not until the 12th year of his rule that a state of security was seen in this part of the Ming kingdom. The position of Kaoli remained uncertain still longer, its ruler being recognized as king of Chaosien only in 1401.

The Nanking court of Ming, according to the "Ming Shih" (History of Ming), set up a form of military regime in the southern part of Manchuria over which it had a control. Quite unlike other parts of its domain, here was instituted no civil administrative system. The section of Fengtien Province lying to the south of Kaiyuang, Antung Province, and the Liaosi area were taken as a unit and placed under the rule of the Tussu of Liaotung (military commander). This country was guarded by 25 "Wei" or garrison bases. The districts guarded by these military posts correspond to the following modern places: Liaoyang, Haicheng, Kaiping, Fuchow, Kinchow, Kwangning, Ichow, Chinchow, Ningyuan, Fengtien, Tiehling, Kaiyuang. In addition, the southeastern section of Jehol was placed under the Tussu of Wanchuan. For the administration of the non-Chinese tribes "beyond the palisades" the Ming rulers appointed Nurgan Tussu in charge of 384 Wei or guards, but these outside elements were left under the administration of their own tribal chieftains as far as possible.

External Expansion of Ming. The third emperor of Ming, Cheng-tsu, who ascended to power at the beginning of the 15th century, took an aggressively expansionist policy. His attention was first directed to the north. His generals carried arms far into northern Manchuria, but, according to an ancient Manchu historian, it is doubtful if the emperor himself had any previous knowledge of the land he had set out to conquer. Nevertheless, there is evidence that he succeeded in extending his domain far in this direction. For instance, according to the stone monument erected in 1433 at Tyr on the lower course of the river Amur, which corresponds to Telin, and now preserved at the Vladivostok museum, Chinese arms were successfully carried on as far as "Ku-i or Ku-yuan of the sea", which is Saghalien. It is also recorded that the Nuchens of the far north often paid tribute to the Ming court.

Far less successful was this aggressive emperor of Ming in the Mongol area. He was repeatedly compelled to send expeditions against the recalcitrant tribes in the north, he himself leading his army in the 14th year of his rule. But while his attention was engaged outside, he took pains to put his own country in shape. The Ming dynasty reached its height in his time and its supremacy was maintained by his successors. But in the time of the 5th emperor (1436-1449) the power of Ming was already on the decline, the emperor himself being made prisoner by a Mongol chief one time.

The more conservative and cautious policy adopted by the Ming government may be seen in the completion of a system of palisades, 700 "Li" long, from Kwangning to Kaiyuang, in the time of the third emperor. Thus, the extensive plains in the Liao valley was placed outside the protected area. The ancient wall now existent at Chuantou, lying between Kaiyuan and Ssupingkai, still gives an idea of the defensive works built in those Ming days.

Chienchow Nuchens. The Nuchens who were called Nuchih in the Ming period were divided in three groups, namely, Chienchow Nuchens, Haisi Nuchens and Yehjen Nuchens. Chienchow in the Mongol and Ming dynasties meant the area around the town of Kirin. Chienchow Nuchen had its center in all likelihood where Sansing now stands. Chienchow Wei which was to be one of the three divisions that the Chienchow Nuchens were later to comprise and which first appeared in the history of Ming in 1408 lay probably further southward nearer the Korean border, or around the area of which the town of Chutzukai is the center.

These Nuchens made frequent inroads on Korea. They seldom ceased to be a source of disturbance to Ming which pursued an

appeasement policy but contrived to keep them from achieving an internal union. In 1467 Ming had to send an army of 50,000 strong to subdue Chienchow. Ten years later Chienchow Nuchen, forming an alliance with Haisi Nuchen which had arisen on the west side of the Sungari, invaded the whole land from Fengtien to Liaoyang. Ming's northern frontiers were exposed to a new menace when the Mongols became powerful under their leader Andan in the second quarter of the 16th century. In 1550 the Mongols poured into China by way of Kupeikou and entered Peking setting it on fire. Through these years the so-called Japanese piracy which had begun soon after the Mongol raids on Kyushu became very active. The marauders from Japan who were reinforced by native pirates descended almost on the entire coast of China. The two Japanese military expeditions sent out into Korea by Hideyoshi also went far toward striking at the foundation of the Ming dynasty.

The Rise of Nuchens and Nurhachi. Ming never succeeded in gaining complete control over either Chienchow or Haisi Nuchen. Li Cheng-liang, military commander of Liaotung, was kept quite busy. From the frequent clashes between the Nuchens and the Chinese garrison emerged an outstanding figure in Nurhachi, grandson on the maternal side of Wang Kao, who had been commander of the Chienchow Right Division until he unsuccessfully revolted against the Chinese in 1573. Ten years later Nurhachi, a young man of 25 years of age, entered on his career which was to alter the course of Chinese history again by killing the man who had murdered both his grandfather and father. In the following year (1587) he built a castle at Hulanhada, south of Mt. Yentung lying to the west of Hsingching (100 miles east of Mukden) While Ming was invaded from the west in 1590, and from the south by Burma in the following year, and Korea was swept by the Japanese forces in the next year, Nurhachi went on extending his domain over the area outside the palisade. In 1616 he declared himself Khan and took for his kingdom the title of Second Chin (Gold) and for his dynasty that of Tien Ming—heavenly will. In the following year he declared war against Ming on the ground that his ancestors had been murdered for no reason. With his forces of Eight Banners, he invaded Liaotung in 1618 and at once proceeded to capture Fushun-cheng and Chingho-cheng.

Ming appointed Yang Kai, general of long border experiences, as commander of the Liatung army which, however, because of numerous deserters in those times, had to be reinforced by mobilizing forces from Fukien, Chekiang, Szechuan, and Kansu, to the total strength of anywhere from 200,000 to 400,000. In addition, Chaosien (Korea) rallied under the Ming standard with an army of 13,000 strong. These combined forces were met and completely defeated at Saruhusan (Saerh-hushan), a mountain close to the southern border of Kirin Province. This decisive battle virtually led to the downfall of the Ming dynasty. In 1621 Nurhachi took possession of Shenyang (Mukden) and Liaoyang, establishing control practically over the whole area east of the Liao river. In the following year he carried his arms beyond the Liao river reducing many towns and three years later set up his capital at what is now Fengtien (Mukden) naming it Shengching. The next year he again led his forces against the Chinese garrison at Ningyuan where he was wounded by a cannon ball, which proved fatal. He was 68 years of age when he died, and his remains were honored at what is now known as Fuliang or the eastern mausoleum of Mukden.

From Second Chin to Tsing. Upon Nurhachi's death his eight son, Huangtaichi, became khan and lost little time to send an expedition into Korea. He exacted from the Korean court a pledge of non-aggression and provision supplies. On the other hand, he opened his campaign against Ming and in his third year crossed the Great Wall and besieged Peking. In 1632 he set up his rule throughout Inner Mongolia and two years later assumed the title of emperor, discarding that of khan, and the national name of Tai Tsing or Great Pure instead of Second Chin. The land whence the Nuchens had originated was called Manju (Manchu), which seems to have been adopted at a much earlier time to designate either the Nuchens ancestors or their birthplace.

In the same year (1636) the history of the first emperor was completed in the Manchu letters which had been developed as early as 1594. This chronicle of Nurhachi, written in both Chinese and Manchu letters, is a monumental work consisting of 3,801 sections and covering the history of the first emperor and his ancestors over a period of three centuries. In civil administration many institutions were introduced at the same time.

Manchu Court to Peking. In 1636 the Manchu emperor, Taitsun, attacked Chaosien (Korea) which had been a constant menace and brought it under effective control. Next he was ready to launch his campaign against Ming. In 1638 one of his generals was sent out to Chihli; and three years later the emperor himself advanced to Liasi to direct his armies and drove the Chinese forces out of Chihli (Hupei) in 1643. In the same year the Manchu emperor whose health had been failing for some time succumbed to his illness and his ninth son, Fulin, ascended to power in his sixth year of age.

In China Li Tzu-cheng who had steadily gained power by rallying discontented elements under his standard proclaimed himself emperor at Sian and assailed Peking, driving the last emperor of Ming out of the capital and to death. Li Tzu-cheng, in turn, was expelled from Peking by the Manchu forces. In September 1644 the Manchu court was transferred from Panyang (Mukden) to Peking and proclaimed its rule over all China.

Ming Influence in Manchuria. When Ming rose to power and extended its influence over Manchuria, Confucianism, Taoism and Buddhism found their way into the country. A number of Miao or shrines dedicated to the memory of Confucius and now found in the country may be traced in most instances to the Ming dynasty, the most typical being that at Haicheng. Many shrines dedicated to the memories of Kwan-yu, Yo-fei, the Chinese farm deity, and those of Taoism now seen in the form of Niangniang-miao, are ascribed to one period or another of the Ming dynasty. The following of Buddhism is seen in a number of temples found in all parts of the country, especially in South Manchuria. Those at Chienshan (Thousand Hills) are best known for the scenery of which they form part. With regard to the castles and town walls the remains of which are found in the country it may be noted that those built with stones and tiles are traced to the Ming or some later period. Until toward the end of the Yuan or Mongol dynasty such defensive works were made only of earth or palisades.

Manchuria of Tsing (Manchu) Dynasty

The history of Manchuria in the dynasty of Tsing (Ching) when its own sons sat on the dragon throne of Peking synchronized in large part with the eastward penetration of Russian influence, leading to its domination over Siberia and at a time over some part of Manchuria. The tide of European imperialism that began to sweep over East Asia in the last quarter of the 16th century was to reach Manchuria as it did China, but only from another direction. A band of Cossacks crossed the Urals about three score years after the Portuguese arrived at Canton in 1517, marking the beginning of China's intercourse with Europe. This small Cossack expedition led to the movement of Russian influence which was to cast its shadow over Manchuria for many years. Toward the close of the 19th century Manchuria had turned into an international battleground. The fate of the country itself hung in the balance until the course of its destiny had to be shaped by decisions of international moment, decisions forced on the countries which had come to take vital interests in Manchuria.

Manchuria under its own rulers languished from the standpoint of its racial activity. The Manchus and the Mongols proved themselves incapable of holding their own against the Chinese coming in from the south, as they did against the Russian descending from the north at a later period. The indigenous tribes had to yield their ground wherever Chinese farmers came to settle. Those natives were as unresisting against the inroad of Chinese culture. With the process of sinicization they lost much of their racial identity as well as virility. They, like many another race that had come to rule over the Hanjen or Chinese, had succumbed to its ennervating influence. When the northern frontier was threatened by the aggressive Russians, the Manchu rulers had to defend it, not with its own men, but mostly with forces mobilized in central and southern China. The fortune of the races who made light of their own heritages, who had forgotten to fight as their early ancestors, and, lastly, who had proved themselves less capable economists than their thrifty neighbors, was not destined to rise very high. But even while Manchuria paused on the threshold of a modern era, the Far Eastern situation prepared itself for yet greater changes to come.

Manchurian Administration. The Tsing regime, after its conquest of China, always regarded Manchuria as its own native land and ruled it on an independent basis, setting up there a special system of administration and racial protection. The palisades that had been erected in the Ming dynasty for the defense of the Han race in Liatung were taken over by the Manchu rulers and used for the safeguarding of their own native country, by extending them in many directions. In the Tsing dynasty these defensive works ran in a straight line from north of Kwangning (now Peichen-hsien, in Fengtien) to Kaiyuang by way of Fakumen, taking in the Liao valley, the oft disputed ground in the Ming period. From Kaiyuang the line of defense extended, on one hand, in a northeasterly direction and enclosed the area of the town of Kirin and Ningkuta, and, on the other, in a southeasterly direction from Kaiyuang to Hsingching and Fengfang-cheng.

The third Manchu ruler, upon transferring his capital to Peking, appointed a military commander over 8 Banners of Fengtien. In the time of Emperor Kang-hi the areas of Ningkuta, Archuka, Petna, Mergen, Tsitsihar, were likewise placed under military commanders. In the reign of the next ruler, Kien-lung, Manchuria was divided into Shengking (Fengtien), Kirin and Heilungkiang, which were called the Three Eastern Provinces.

The first named province, as the homeland of the Manchu race, was ruled by 5 administrative offices of households, ceremony, war justice and industry. The higher officers were appointed only from the Manchus, only Chinese of special qualifications being appointed by the emperor in exceptional cases. These administrative organs also took charge of the entire Mongol territory which was held under the direct rule of the imperial court. The area outside Shengking was under a military regime, with high commanders for Fengtien, Kirin and Heilungkiang. The Chinese in Manchuria and the Mongols were dealt with as separate units but were always held under the control of Manchu officers.

Colonization and Chinese Immigration. With the removal of the Manchu capital to Peking a large number of Manchus migrated to China. The immigration of Chinese farmers to the depopulated areas of Manchuria was officially encouraged. The Manchus, as a privileged people, were given lands for security of life; but since they mostly entered the military and civil services, their lands were left for the Chinese to till. The Chinese farmers were attracted by guarantees of living until the first harvest, in addition to cattle given free of charge.

Since this policy was adopted primarily to support the native population, Chinese immigration was placed under restriction when the countryside was sufficiently populated. The peculiar economic situation that developed through Chinese immigration also called for restrictive measures. The Manchus became land owners when Chinese came in to cultivate lands for them. When the Manchus took to easy life, many refusing to work, their property often passed to Chinese ownership. At the beginning of the 19th century orders were issued prohibiting the Chinese to live in the Three Eastern Provinces. But in face of the chaotic conditions developing in China the inflow of Chinese population persisted. Moreover, when the northern border region was exposed to Russian aggression, Chinese immigration had to be again encouraged to increase the rural population for defense purposes.

Russian Aggression. A Cossack band under Yermack Timofevitch which crossed the Urals around the year 1580 and advanced eastward failed to make progress very far into Siberia, but prepared the way for other parties of explorers. Another Cossack band which was sent out on the Siberian trip fifty-five years later was the first to learn of the Amur river. One section of them was able to come out as far as the Okhotsk Sea in 1640. Ten years later the enterprising Khabarov was exploring the Amur. By defeating the Soluns at the confluence of the rivers Silka and Argun, he took possession of Yakosa or Albazin, some 50 miles northeast of Hailar, fortifying it as a base for further advances into the east. In 1652 he made his way from the mouth of the Sungari to the river Ussuri. Six years later a Russian expedition under the leadership of Governor Pashkov reached the mouth of the river Nertcha and built there a fort which was later to develop into the town of Nertchinsk.

The Manchu government in the same year sent troops to subdue the Russians plundering the area along the Amur. Three years later a shipbuilding yard was established at Kirin to strengthen China's river fleet against the aggressors. At some places the Manchus scored victory, but the tide of Russian influence was hard to stem except in the years when the war with Poland and next with Turkey diverted the attention of the Tzar elsewhere. But when Emperor Kang-hi was wholly taken up with internal disturbances in the period 1673-1681, the Russians not only held their fortified town of Albazin but advanced further to build their outposts at many places. The Manchus in 1685 assaulted Albazin which was burned down. The conflict between the Russians and the Manchus went on with varying fortunes until Peter the Great sent an embassy to Peking in 1686 proposing peace. The Nertchinsk treaty that followed, the first foreign treaty ever concluded by China, set the boundary along the Argun in one direction and along the river Kerbetsi and the Stanovoi mountains in the other. The Manchu emperor established a military output on the river Zeya, as the northern extremity of his domain.

In 1692 Peter the Great sent another embassy to Peking asking for the right of trade, which Emperor Kang-hi granted to the extent of 200 traders every three years, these men being permitted to stay at Peking for 80 days and trade free of duty. Meanwhile, the town of Kulun or Urga had become an active mart but also a scene of frequent disturbance. In 1727 Catherine sent an embassy to Peking and there followed what is known as the Kiakhta treaty the main object of which was to effect border demarcation between Outer Mongolia and Russian territory and to open trading posts which were fixed at Kiakhta, Selenga and Nertchinsk.

The Tsing dynasty reached the zenith of power around the 15the year (1760) of Emperor Kien-lung's reign through which Chinese immigration into Manchuria seems to have continued with little hindrance. Even the Three Eastern Provinces which had been closed to Chinese settlement were virtually opened to those coming from the southern side of the Shanhaikwan barrier. At the turn of the 19th century Chinese farmers had settled from the Amur in the north close to the Korean border in the south.

Russian Aggression under Muraviev. Russia's eastern policy became more aggressive after Count Muraviev was appointed viceroy of Eastern Siberia in 1847. The harbor of Petropavlovk was built two years later. The estuary of the Amur was guarded by fortifying Petrofskoe and Nikolaiefsk. In 1858 the Aigun treaty was concluded. By this treaty Russia acquired an extensive land on the left side of the Amur from the river Zeya to the river Hermoldzin, and the right of free navigation on the Amur, the Ussuri, and the Sungari. In June of the same year Russia concluded the Tientsin treaty providing for opening of trade, open ports, consulates and regular post service between Peking and

Kiakhta. When the allied forces of Britain and France forced their way into Peking in July 1860, Emperor Hien-feng having fled to Jehol, Russian Minister Ignatief took the advantage of the situation and succeeded in acquisition of the Chinese territory east of the Ussuri river which is known as the Maritime Province. This important deal was made by what is called the Peking treaty. But in fact, this treaty was anticipated four months prior to its conclusion when a Russian naval force occupied Vladivostok in April 1860.

Religions and Cultural Life. The Nuchens of Manchuria seem originally to have followed Shamanism but later came very much under the influence of the Mongols and Tibetans, as seen in the development of the Manchu letters on the basis of the Mongol letters. Mongol influence was also seen in the encouragement given to Lamaism, which still remains in a number of temples found in all parts of Manchuria and Inner Mongolia. The Tibetan and Chinese types of Lamaist architecture are well represented in many temples.

Mohammedanism which had been introduced to China in the Tang dynasty became more popular in the Tsing regime. Many Mohammedans migrated from the western area to Shensi and Kansu. In 1729 the first Moslem church was built in Peking.

Roman Catholicism flourished in the reign of Emperor Kang-hi who studied mathematics and natural sciences from scholarly Jesuit missionaries among whom the name of Father Bouvet is well known. The emperor in his 47th year (1708) ordered a number of Catholic missionaries to survey many provinces and make their maps. The area from the Great Wall to Inner Mongolia was surveyed the same year by French Jesuit missionaries, Xaverius Ehrenbertus Fridelli and Petrus Jartroux. The Amur region was explored by these men in 1710. In 1718 the maps of China, Manchuria, Korea and Tibet were presented to the emperor and later to Louis XIV. It was also around this time that schools of ancient Chinese philosophy were introduced to France to meet with enthusiastic reception from men like Montesquieu and Voltaire. In Manchuria Roman Catholicism seems to have been adopted by not a few even before the freedom of following the Christian faith was guaranteed by the Chinese government in 1860.

The Chin Luan Palace of Mukden is the most typical of the architecture of the early Tsing period. The summer palace at Jehol the construction of which was begun in 1703 and completed six years later is thought the most picturesque among all palatial structures left from ancient China. The castle walls of Mukden built in most part in the year 1631 is well representative of the castle architecture of the early Manchu period.

International Interests in Manchuria

It was not until after the Sino-Japanese war of 1894-5 that Manchuria took a position of international importance. As a result of this war which Japan fought to preserve the independence of Korea and its freedom from the increasing political interference of China as well as to maintain its own position in the peninsula against the aggression of imperialist Russia, China exposed its incapacity and incompetence. The powers that had been undeceived as to China's potential power now sought every chance and pretext to extend their spheres of influence at the expense of the country which had been compared to a sleeping lion. Russia which had been making its way into the country from Siberia was naturally to center its attention on Manchuria.

The Sino-Japanese treaty concluded at Shimonoseki in April 1895 established, with regard to Manchuria, the integrity of that part of Fengtien Province which lies to the south of the line drawn from the the mouth of the river Yalu northward to the mouth of the river Anpingho and thence to Fengwang-cheng, Hai-cheng and curving down to Yinkow; of a number of islands off the eastern shore of Liaotung Bay and off the northern side of the Yellow Sea; and the cession to Japan of forts, arms plants and official establishments in the places mentioned above.

While the peace negotiations were in progress in Japan, Russian warships were concentrated in Far Eastern waters. The military governor of Vladivostok mobilized reservists. French and German war crafts moved eastward. When their combined forces were strong enough there followed the so-called triple intervention with a demand for the retrocession of the Liaotung Peninsula which had been ceded to Japan under the treaty of Shimonoseki. This demand was made on the ground of the "disturbance of the balance of power and the menace to China" which the occupation of

Port Arthur by the Japanese would involve. Japan was in no position to resist the pressure brought to bear upon it. The southern part of Fengtien Province, including the peninsula, which Japan had acquired by treaty rights was returned to China.

Russian Diplomacy in Manchuria

Russia and France lost little time to present their claims. The diplomatic parleys conducted at both St. Petersburg and Peking resulted in the conclusion of the so-called "Cassini Convention" which was signed on June 3, 1896, by the Russian Foreign Minister and Li Hung-chang who had gone to Moscow to participate in the imperial coronation.

"Cassini Convention". This pact kept secret for years and only openly acknowledged by China at the Washington Conference of 1922 provided for a military alliance between China and Russia. It was agreed by this pact that should either of the signatories go to war with Japan, the other would aid with military forces and assure the supply of provisions. Another point of importance was that China, in order to facilitate the transport of Russian troops to places exposed to danger, agreed to let Russia construct a railway to Vladivostok by way of Heilungkiang and Kirin Provinces, with an additional understanding that the same railway might be used in time of peace for transportation of Russian troops and munitions.

Chinese Eastern Railway. Based on this treaty the Russo-Asiatic Bank was organized in August 1897 as the first step toward financing the proposed railway. By the detailed agreement between this bank and the Chinese authorities the Chinese Eastern Railway Company was created to undertake the construction of the railway, which was to shorten the Trans-Siberian railway by 568 miles.

It was agreed between the Russo-Asiatic Bank and the Chinese government that the lands required for construction, administration and defense of the railway should be provided free of charge, if officially owned, and bought by yearly payment, if privately owned, and that all these lands should be free of taxes and be at the disposal of the railway company for various uses of its own. Russia, for its part, promised to transfer to China without compensation the railway and all appertaining property 80 years after the railway came into operation.

Lease of Kwantung Province. In November 1897 two German missionaries were murdered in Shantung and Germany which had so far hitherto failed to profit by "the generosity of China", as Britain or France had done, at once took possession of the Bay of Kiaochow. In the following month Russia sent its Far Eastern fleet, composed of nine warships, to winter in Port Arthur. This was done on the ostensible ground of the bay of Kiaochow being closed to the Russian fleet which had been wintering there each year. Japan and Britain were informed that the Russian fleet would be at Port Arthur only until some port should be obtained in Shantung Province. But Russia's true object was disclosed in March 1898 when it peremptorily demanded a lease of Port Arthur and the adjoining anchorage of Talienwan which was later to be developed into the port town of Dalny as called by the Russians.

China had no alternative but to acquiesce in the Russian demand. The Russian claim to compensation in compelling the retrocession of the Liaotung peninsula was recognized in the so-called Habrov pact that soon followed. By this agreement China conceded to Russia Port Arthur and Talienwan for a term of twenty-five years which on maturity was to be extended by mutual arrangement; and the exclusive right to fortify this area, closing Port Arthur to all shipping except for that of Russia and China. By the same agreement Russia also secured the right to build a railway from Talienwan northward to connect with the Chinese Eastern Railway in north Manchuria and to provide a neutral zone to the north of the leased area.

Russian Sphere of Influence. Around this time China at length decided to build railways with foreign capital and there ensued a keen competition among syndicates of different nationalities, each supported by its own government. In 1899 Britain raised an issue with Russia over the railway from Shanhaikwan to Neuchang. The Muraviev-Scott negotiations at St. Petersburg resulted in the agreement that Britain would present no railway claim north of the Great Wall, while Russia would do likewise with regard to the Yangtze valley, which included all the provinces bordering the great river, together with Chehkiang and Honan. By an additional exchange of notes Russia recognized the contract that had been concluded between the Chinese government and the Hongkong and Shanghai Banking Corporation for construction of the Shanhaikwan-Neuchang railway.

America's Open Door Policy. In September 1899 the United States government initiated a correspondence with the European powers and Japan, with a view to establishing its claim to open door and equal opportunity in China. Britain gave a ready assent to the American proposal. Japan, Russia, France, Germany, Austria-Hungary, Italy conveyed their agreement by the end of the same year.

The American proposal of the open door policy aimed at the protection of its existing rights and interests in China and at trade free from unfair discrimination in special spheres of influence. Because, however, it embodied no conception of territorial integrity, the European powers were to go on with their aggressive plans as in the past.

While they were engrossed in furtherance of their own interests the reform movement, strongly supported by the intelligent class of Chinese society, and above all by the emperor himself, was fast gathering momentum. A succession of imperial edicts would have led to a revolution in 1898 but for the coup d'etat carried out by the empress dowager and the conservatives that followed her. The reactionary tide set afoot continued to rise throughout the following year and gradually assumed the shape of anti-foreign agitations until in 1900 the Boxer trouble broke out to bring about far-reaching changes in the international situation as regards China.

Boxer Uprising and Manchuria

Soon after the Boxer movement opened hostilities against the foreigners in Peking and Tientsin, the Chinese government decided to place its soldiers in charge of the railways in Manchuria. In July the Tatar general in Heilungkiang Province demanded the evacuation of all Russians from Manchuria, under the false pretense of having received an imperial order to assume the offensive against the Russian troops. Forces under his command attacked the Russians at Blagovyeschensk. Russian reprisals were proportionately severe, 5,000 Chinese civilians—men, women and children—who were caught by the cossacks at Blagovyeschensk were flung into the Amur. In August the Russian forces had so advanced as to capture the treaty port of Niuchwang. The Russians virtually overran the whole country, having stationed their forces on the pretext of railway protection, at places like Aigun, Tsitsihar, Harbin, Kirin, Mukden, Fushun, Liaoyang, Chinchow. There was no doubt that Russia was bent on seizing the opportunity for securing a permanent hold on Manchuria.

In face of this situation the British government whose attention was then chiefly engaged by the Boers trouble in Africa concluded an agreement with Germany in October 1900, with a view to prevention of further territorial expansion by any power in China. To this Russia, in common with other countries, gave its approval, although she kept her forces in Manchuria and, while the Powers' negotiations dragged on at Peking for the settlement of the Boxer trouble, Russian diplomats were in diplomatic conversations with Chinese officials at Mukden, Peking and St. Petersburg. In December 1900 a preliminary agreement was made between M. Korostovetz, the Russian administrator-general, and Tseng Chi, the Tatar general at Mukden, by which the civil and military administration of Manchuria was virtually placed under Russian control.

In February of the following year negotiations were opened at St. Petersburg between China and Russia for the conclusion of a convention of a still more comprehensive character. In return for the restoration of a certain measure of civil authority in Manchuria, Russia was to acquire exclusive civil, military and commercial rights, virtually reducing Manchuria to the status of a protectorate. This convention provoked strong opposition in foreign countries as well as among the Chinese themselves, Japan especially displaying her determination by taking strong action. In face of this situation Russia issued a circular note to the Powers in April, stating that, "as the generous intentions of Russia had been misconstrued," the proposed convention would be withdrawn.

Some five months later a peace protocol was signed in Peking in a form that satisfied all the powers that had taken part in the Boxer trouble. In accordance with the terms of the protocol all the foreign troops were withdrawn from Peking and Chihli. Russia removed her troops from this part of China only to consolidate her own position in Manchuria. Two months later (November 1901) the trans-Siberian railway was completed, with the exception of the part along Lake Baikal. Port Arthur and Talienwan were connected with the northern trunk line at Changchun. Construction of port and city at Talienwan progressed. The Manchu court which returned to Peking from the temporary capital at Sian at once ordered Li Hung-chang to open negotiations with Russia for the restoration of Manchuria, but Russia was firmly determined to hold her newly acquired ground. This situation was met by Japan on February 19th by conclusion of an alliance with Britain which was announced in February 1902.

Russia's Unfulfilled Pledge. Two months later Russia and France announced that their alliance would be extended to the Far East. But Britain, Japan and the United States lodged protests against the grant of exclusive rights to Russian subjects in Manchuria. Russia declared her intention to respect the commercial rights of other nations and on April 8, 1902, signed at Peking an agreement for withdrawal of her troops from Manchuria within 18 months from that date: from the southwestern part of Fengtien Province to the Liaoho river within six months; from the remaining part of Fengtien and from Kirin Province within the next months; and, lastly, from Heilungkiang Province before October 8, 1903. The first part of this agreement was carried out faithfully. But it was soon revealed that Russia was determined to keep her hold on Manchuria. She demanded a fourth secret convention with China in exchange for the evacuation of troops promised for the second period. Britain, Japan and the United States protesting, Russia dropped her demand but only shifted her troops from one base to another within the same zone. In April 1903 Russian troops crossed the northern border of Korea and took possession of Ryuganpo. An extensive tract of land was bought for the avowed reason of exploiting the timber resources of the Yalu. Minister Pavlov at Seoul demanded the concession of the land. In May her Far Eastern fleet which had been reinforced from European waters assembled and maneuvered around Port Arthur. Forts at Vladivostok carried out target practice. While these and other demonstrations were being made against Japan, General Kuropatkin, the Russian war minister, went about inspecting conditions in north Manchuria and the Maritime Province. In July he conferred at Port Arthur with the Russian ministers to China and Korea and the governor of Kwantung.

Meanwhile, the Japanese government on June 23 held a special meeting before the throne and decided on its policy toward Russia. On July 28, the Japanese minister at St. Petersburg was instructed to open negotiations with the Russian government concerning Manchuria and Korea. The main points of the terms Japan proposed as a basis for negotiations were maintenance of independence and territorial integrity of China and Korea, securing of equal opportunities in those countries for the commerce and industry of all nations, and recognition of Japan's special position in Korea. However, the Russian government, bent on the annexation of Manchuria, was not disposed to be responsive. Its first note of reply was not given before October 3, 1903, only five days before the day fixed for the complete evacuation of her troops from Manchuria under terms of the 1902 agreement. Through her sustained efforts to reach an amicable understanding, Japan was convinced that Russia would not yield her position in Korea or China except to force. In February of the following year Japan went to war with Russia.

Russo-Japanese War and Manchuria

It was characteristic of Chinese policy that the Peking government, upon the outbreak of hostilities between Russia and Japan, proposed to fight on the side of Japan, totally ignoring the "Cassini Convention" in force. Japan, however, advised China to remain out of Manchuria as a neutral, because China was not financially equipped to enter the war and also because her military activity was likely to develop into anti-foreign movements.

The Russo-Japanese war was mostly centered in South Manchuria, with the Liao river marking the border of the war zone. But when the American offer of mediation was accepted by the belligerents in June 1905, the Russians had been forced back to the northern side of the Shaho river. The terms of the Portsmouth treaty signed in September 1905 may be summarized as follows.

1. Russia recognized Japan's predominant position in Korea with regard to political, military and economic affairs; and her right or direction, protection and overseeing of Korea where deemed necessary.

2. Complete withdrawal of Russian and Japanese forces from Manchuria except where the lease of the Liaotung peninsular was

effective; and restoration of the area thus evacuated to the exclusive administration of China.

3. Russia pledged not to hold any special territorial rights or any exclusive concessions in Manchuria.

4. Russia transferred to Japan the lease of Port Arthur and Dalny (Talien) and their neighboring waters and all rights appurtenant thereto; the railway between Changchun and Port Arthur and all branch lines thereof; and all coal mines belonging to the same railway; the southern half (south of the 50th parallel) of Saghalien.

5. Japan and Russia for the protection of their railways in Manchuria each reserved the right of stationing soldiers along the lines of railway within the limit of 15 men for every kilometer.

Sino-Japanese Treaty Concerning Manchuria

In December of the same year (1905) Japan concluded with China a treaty concerning Manchuria on the basis of the Portsmouth treaty. This Sino-Japanese treaty which was later to be a basis for diplomatic negotiations on many issues in Manchuria may be summarized as follows:

1. China recognized the Russo-Japanese treaty of Portsmouth with regard to Manchuria. 2. China agreed to open to foreign trade and residence the following towns: Fengwang-cheng, Liaoyang, Sinmintun, Tiehling, Tungkiangtzu, Fakumen, Changchun, Kirin, Harbin, Ningkuta, Sansing, Tsitsihar, Hailar, Aigun, Manchuli. 3. China gave Japan the right to maintain and improve the military railway between Antung and Mukden which had been built during the war by the Japanese, and make it "fit" for the transport of the commercial and industrial goods of all nations. 4. China agreed not to construct any main line of railway in the neighborhood of, and parallel to, the South Manchuria Railway, or any branch line which might be "prejudicial to the interest of the above mentioned railway."

The war from which Japan had emerged victor brought to her but small reward in terms of material interests and privileges. But by the success of her arms Japan established the security of the Far East against western imperialism. She prepared the way for development of Manchuria, maintained the territorial integrity of China and preserved conditions for open door and equal opportunity in China. In consequence of this war Japan was brought into special relations with Manchuria. Japan's new position as leader of the Far East was forthwith recognized by countries interested in this part of the world: Britain's renewal of the alliance with Japan in August 1905; Franco-Japanese convention of June 1907; first Russo-Japanese convention of July of the same year; Japanese-American exchange of notes in November of the following year.

Japanese Enterprises in Manchuria

The first Japanese enterprises in Manchuria assumed shape in November 1906 when the South Manchuria Railway Company was organized on a semi-official basis, the Japanese Government contributing its share in the form of the railways and appurtenant rights and coal mines that had been taken over from Russia. In the same year the Kwantung Government was instituted for the administration of the leased province.

In July 1907 the first Russo-Japanese convention was concluded guaranteeing the territorial integrity of China and equal opportunities for the commerce and industry of all nations in China. But China whose sovereignty and integrity Japan had defended at heavy cost began to oppose Japanese enterprise in China through her new movement for "recovery of national rights". The first instance of China's nationalist movement was seen in the contract given to a British concern in October 1907 for the construction of a railway between Fakumen and Sinmintun parallel with the existing line of the South Manchuria Railway. This contract, however, was abandoned by the British who found it contrary to the Japanese rights acquired by treaty.

In 1909 China's long delayed argreement was secured to Japan's proposal concerning Manchuria and Chientao, the latter being a long disputed area close to the Korean border. China promised not to construct the Fakumen-Sinmintun railway without Japanese understanding and agreed to recognize Japan's right of working the coal mines at Fushun and Yentai, to borrow half the capital required for the construction of the railway between Changchun and Kirin, and in addition, recognized Japan's right of building a bridge across the Yalu. Japan, for her part, agreed not to object to the extension of the Chinese railway to Mukden.

American interest in Manchuria was first evinced in the proposal made by the railway magnate Harriman for purchase of the railways under Japanese and Russian management. In December of the same year the American Secretary of State Knox put forth a plan for internationalization of the railways in Manchuria. This plan was abandoned, however, when both Japan and Russia were found equally opposed.

Second Russo-Japanese Convention. This abortive attempt at development of American and other foreign interests in Manchuria had the result of bringing Japan and Russia closer together. Russia had as much reason as Japan for keeping her enterprises in Manchuria free from foreign interference. Moreover, the power politics in Europe were claiming her attention to an increasing degree. In July 1910 the second Russo-Japanese convention was concluded assuring their respective positions with regard to Chinese integrity and friendly mutual cooperation in management of the railways that the signatories owned in Manchuria. The Russian and Japanese governments also agreed mutually to respect their rights and interests in Korea, north and south Manchuria and Outer Mongolia as defined in the secret convention that had been signed in July 1907. The Russo-Japanese convention of 1910 was soon followed by Japan's annexation of Korea and the expansion of Russian influence in Outer Mongolia.

Manchuria Under the Republican Regime

In 1907 Manchuria was divided in three administrative units which were called the Three Eastern Provinces and a series of administrative reforms were attempted as in China proper. But, meanwhile, the revolutionary movement had been gathering momentum. Upon its outbreak in 1911 Governor Chao of the Three Eastern Provinces had to call on Chang Tso-lin who held a high military post at Taonan at the time to subdue the uprisings. Chang Tso-lin of obscure origin who had arisen from the ranks of "mounted marauders of the green woods" had been forging his way to the fore. He had by the end of the Manchu dynasty become a military factor of so much importance that he was appointed commander of the 17th army division at Mukden when the republican regime was set up at Nanking in 1912 and its rule was extended to Manchuria.

Independence of Outer Mongolia. Following the revolutionary outbreak the whole country was thrown into turmoil. It seemed that China was on the verge of total collapse. The powers who were bent on extending their influence in China almost scrambled for spoils. The so-called policy of conquest by railroads and banks was pushed on in many directions.

In the first year of the republican regime Russia concluded a treaty with the Living Buddha of Kulun pledging her help in achievement of the independence of Outer Mongolia in return for the grant of special commercial privileges for Russians in Mongolia. In 1913 Russia secured Nanking's agreement to the autonomy of four provinces in Outer Mongolia under the suzerainty of China. When this arrangement was confirmed in the Russo-Chinese treaty signed in June 1915, Outer Mongolia passed almost completely under Russian influence.

Japanese Contracts for 5 Railways. Meanwhile, Japan had become increasingly uncertain of her own position in Manchuria, especially with regard to her vested interests which were seen to be not immune from foreign encroachment if any third country was to work in collaboration with Peking or Nanking statesmen. The need was felt of bolstering her position in Manchuria which had become an important factor in maintenance of peace in the Far East, even a vital factor in the security of Japan. On October 5, 1913, by an exchange of notes the Chinese government under President Yuan Shih-kai made an agreement relating to cooperation with Japan with particular reference to loans for constructing five railways in Manchuria and Inner Mongolia. These railways were:

Ssupingkai to Taonan, with a branch line to Paiyintala; Kaiyuan to Hailungcheng; Changchun to Taonan; Taonan to Jehol; Kirin to Hailungcheng.

Construction work on the line from Ssupingkai, via Chengchiatun, to Taonan was commenced in April 1917 by the Chinese government with funds furnished by the South Railway Company and a loan floated by the Yokohama Specie Bank.

Peking Treaty of 1915

By the terms of the Anglo-Japanese alliance Japan was brought into the World War in August 1914. The German forces at Tsingtao surrendered on November 7. But China demanded the withdrawal of the Japanese army from the German railway between Tsingtao and Tsinan. When China unilaterally proclaimed the revocation of the war zone in January 1915, Japan decided to meet the new situation by diplomatic negotiations with the Chinese government. Consequently, negotiations were opened on January 18, 1915, at Peking and the "Treaty respecting South Manchuria and Eastern Inner Mongolia" was signed on May 25, and by exchanges of notes between the signatories, the Chinese government agreed to the following conditions:

1. Extension of the term of lease of Port Arthur and Dairen and the term of the South Manchuria Railway and the Antung-Mukden Railway to 99 years.

2. Permission for Japanese to lease lands and to enter, travel, and reside in South Manchuria for trade, manufacture and agriculture.

3. Opening of additional towns in Eastern Inner Mongolia to international trade.

4. Recognition of joint enterprises of Japanese and Chinese in agricultural and auxiliary industries in Eastern Inner Mongolia.

5. To call first on Japanese capital, if China should propose to build railways in Manchuria and Eastern Inner Mongolia through foreign loans or to raise foreign loans by mortgage of the taxes in these regions.

6. Opening of 9 mining areas in Manchuria to Japanese enterprise.

7. Preference to be given to Japanese in case China should employ foreign advisers or instructors in political, financial, military and police matters in South Manchuria.

8. To revise the Kirin-Changchun Railway Agreement according to the most-favored nation agreements concluded or to be concluded with other nationals.

These conditions, composed of 21 articles, were commonly known as Japan's Twenty-One Demands among those who would place an aggressive construction thereon.

Effects of Political Changes on Manchuria. The years 1915-6 saw rises and falls of political fortunes in China with varying repercussions on Manchuria. When Yuan Shih-kai failed in April 1916 to set up an imperial regime his henchman posted as the General of Mukden was replaced by Chang Tso-lin virtually as military commander of Manchuria. At Peking the retirement of Yuan Shih-kai was followed by the abortive attempt of Chang Hsun to restore the Manchu boy emperor and the consequent flight of President Li Yuanghung from the capital. In his place Feng Kuo-chang assumed office as president and Tuan Chi-jui returned to power as premier for the second time. During his premiership Chang Tso-lin as Military Inspector-General of the Three Eastern Provinces went on laying the foundation for his power in Manchuria.

Following the revolutionary outbreak in Russia in May 1918, Japan and China concluded a military agreement against the eastward extension of hostilities. Japan loaned to China ¥20 million for military expenditure. In the period 1916-8 Japan under the Terauchi Ministry loaned a total of ¥177 million to China for political and industrial purposes. These advances popularly known at the time as the "Nishihara loans" included ¥40 million for railway construction and maintenance in Manchuria and Inner Mongolia. The railway loan agreement signed in September 1918 related to the construction of the following four lines of railway:

From Kirin to Kaiyuan via Hailungcheng, 230 miles; from Changchun to Taonan, 180 miles; from Taonan to Jehol, 470 miles; from a point on the Taonan-Jehol line to the seacoast, 220 miles.

These lines altogether covering more than one thousand miles were to cost more than ¥75 million, of which the Japanese banking syndicate advanced ¥20 million. By another railway loan agreement signed in June 1918 the Kirin-Huining (Kainei) line was to be constracted with funds from a Japanese financial group, an advance of ¥10 million being advanced on the signing of the same agreement. This line was to have connected the Kirin-Changchun railway with the Chosen (Korean) railway at Huining in Korea. However, these contemplated railways failed to be realized with the only exception of the line between Ssupingkai and Taonan.

Manchuria in the Post-War Period

Through the year following the armistice in Europe China remained in turbulent conditions. The rising Anhui faction in July 1920 came into armed conflict with the Chihli group. General

Chang Tso-lin who had raised issues with the former faction in Inner Mongolia led an expedition across the Great Wall under the pretence of offering mediation and, instead, took sides with the Chihli against the Anchi forces which were defeated. Through the success of his arms Chang Tso-lin now extended his domain to Inner Mongolia.

Washington Conference and Nine-Power Treaty. At the conference held at Washington in November 1921—February 1922 for naval limitation and adjustment of Pacific and Far Eastern questions, Japan on whom Anglo-American pressure was brought to bear yielded her reserved rights of making loans for railway construction in South Manchuria and Eastern Inner Mongolia and of raising loans by mortgage of the taxes in those regions. These rights were transferred to the Four-Power Consortium organized in 1919. Japan also renounced her former agreement concerning the employment of Japanese advisers and instructors in political, financial, military, and police matters in South Manchuria.

In addition, Japan gave her approval to the four basic principles presented by the United States assuring full respect for China's sovereignty, territorial and administrative integrity; affording China full opportunity until she should develop a strong and firm form of government; making effective the principle of equal opportunities for the commerce and industry of all nations in all parts of China; and pledging not to secure any exclusive rights prejudicial to the rights of other friendly nations in China. Japan also signed an international agreement concerning the reform of the Chinese customs, abolition of extraterritoriality and consular jurisdiction, restoration of foreign concessions, abolition of foreign postal service, withdrawal of foreign garrisons, purchase of foreign wireless stations in China, etc. Finally, Japan became party to the so-called Nine-Power Treaty agreeing not to conclude any treay or convention contradictory of the four basic principles mentioned before or prejudicial to the principle of equal commercial and industrial opportunity for all nations in China. The treaty also provided that the signatories should not demand any exclusive or preferential rights in China for economic development or enterprise.

It was evident that the Washington conferences were mainly directed to the end of curbing Japanese expansion on the Asiatic mainland. It aimed at the maintenance of the status quo in the Pacific area, placing restrictions on the naval power of Japan as an effective means to the end. The facile belief that prevailed in these international councils was that China would develop as a self-governing, orderly state once foreign influences were withdrawn. The treaty was harmful in giving China an impression that Japan would yield to any extent if the United States brought pressure to bear upon her. Japan herself failed at Washington to stress her own position as the most important factor in the maintenance of peace in the Far East. All these mistakes sowed seeds of trouble.

Mukden-Chihli Wars and Independence of Manchuria

Meanwhile, storm had been brewing in North China. In the month following the conclusion of the Nine-Power pact at Washington, General Chang Tso-lin sent his troops into Chihli against the armies of Tsao Kun and Wu Pei-fu. The Mukden army was repulsed. But Chang Tso-lin declared the independence of the Three Eastern Provinces. From that time onward Manchuria broke off with the Peking government. However, as the Chihli faction rose to power in North China, its relations with Mukden grew worse until in September of the same year the second clash took place around Shanhaikwan. The Chihli forces were routed when they were unexpectedly attacked from the rear by the troops swooping down from Jehol under the leadership of Feng Yu-hsiang, the "Christian General", who had no love to lose with Wu Pei-fu. From the closing part of 1926 to the beginning of the following year Chang Tso-lin remained at Peking steadily extending his influence over North China, Manchuria and Mongolia.

After Chang Tso-lin's Death. In 1928 Chang Tso-lin took the field against the combined forces of Feng Yu-hsiang, Chiang Kai-shek and Yen Hsi-shan and met with reverses. While he was hastening back to his old stronghold at Mukden he was killed. His son, Chang Hsueh-liang, despite Japan's advice to confine his attention to Manchuria, subordinated himself to the Nationalist regime of Nanking. His policy toward Japan took color of the anti-foreign movement which was encouraged and directed by Nanking statesmen. The anti-foreign agitations that were bad enough in 1927 became even worse in the following year. These agitations continued parallel with the movement for the recovery of national rights. In 1928 Japan became the chief object of Chinese boycotts and agitations of other nature.

Anti-Japanese Policy in Manchuria. Chang Hsueh-liang's anti-Japanese policy was laid down along definite lines toward the close of the year 1930 after his visit to Nanking. Chiang Kai-shek invited him there when all the powerful warlords in North China had been disposed of, with the young Marshal of Mukden playing an important role in its final settlement. Chang Hsueh-liang at Nanking agreed to turn over all foreign affairs to the direction of the Nationalist government which was now ready to pursue its policy of undermining all Japanese interests in Manchuria and Inner Mongolia.

The policy of starving out the South Manchuria Railway by building new parallel lines, the policy initiated by the Mukden authorities in 1927, was intensified. The railway between Hailung and Mukden to which Japan had agreed as a feeder to the South Manchuria Railway was charged with transportation of Manchurian produce directly to Chinhwangtao and Tientsin. The railway between Hailung and Kirin, despite Japanese protests, was completed in 1929 through the area lying between the South Manchuria Railway and Korea.

On the western side, the South Manchuria Railway found a strong competitor in the Ta-Tung line which was built by extension to Tungliao of the line between Tahushan, on the Peking-Mukden line, and Pataohao coal mine. The traffic carried by the Taonan-Anganchi and Ssupinkai-Taonan lines were directed to the Ta-Tung line and thence to the Peking-Mukden Railway. The Taonan-Anganchi and Kirin-Tunhua lines, both constructed by the South Manchuria Railway Company under contracts with the Chinese authorities, were never paid for. Loan service on the Taonan-Ssupinkai railway was defaulted.

A comprehensive system of railways having been completed to compete against the South Manchuria Railway, China in 1930 commenced the construction of harbor at Hulutao, the obvious object being diversion of traffic from the port of Dairen. The port facilities at Yinkow were also improved to the same end. The effect of these economic policies systematically directed against the Japanese railways was seen in their declining revenue.

Japanese Subjects Imperilled. In 1930 the anti-Japanese movement assumed the most malicious aspects. The Japanese in Fengtien Province were robbed of the right of owning land and houses. Japanese goods were not only boycotted but even confiscated at times and otherwise excluded from the markets. In 1931 an official transport organization was created to concentrate all agricultural produce in its hands. The mining of coal at Fushun was protested against. From the railway workshops at Liaoyang goods were carried off under false pretences.

The Korean farm settlers were subjected to even worse forms of official persecution. Their rice fields were confiscated at many places. Women were carried away by force. The schools compelled to close were more than 120 in number. Near Fushun more than 300 farmers were fired upon by Chinese soldiers. In 1931 what was known as the Wanpaoshan incident occurred when Chinese mobs, directed by Chinese officials, assaulted the Korean colony. At Anganchi Japanese military officers were murdered. On September 13 regular Chinese soldiers fired on Japanese patrols near Kuchiatzu on the Fushun railway. It was evident that the Japanese now had no alternative but to defend themselves and their interest unless they were to abandon all their rights and withdraw from Manchuria. The temper of the Chinese agitations left Japan no longer in doubt as to the course she should take. The protection of their rights and interests acquired by treaties and the security of their position in Manchuria won in consequence of the life or death struggle with Russia, and their responsibility as the only stabilizing factor in Far Eastern peace at length called for supreme decisions which were taken on the night of September 18, 1931, the night of historic importance, which saw the downfall of Chinese influence in Manchuria.

CHRONOLOGY
of
IMPORTANT EVENTS

1616	Establishment of Ching dynasty.
1643	Russian exploring party reaches the upper stream of the Amur.
1644	Accession of the Emperor Kanghsi at Peking.
1655	Russia sends her first envoy to Peking.

1689 "Treaty of Nertchinsk" concluded, fixing the border between Russia and China as a line drawn from the Amur River along the Yablonoi and Stanovoi ranges, north-eastward to the Sea of Okhotsk.

1691 The Emperor Kanghsi inspects outer Mongolia.

1707 Kamchatka becomes Russian territory.

1720 Trading at Kulun is first allowed to Russians.

1722 Accession of the Emperor Yungcheng.

1736 Accession of the Emperor Chienlung.

1740 Immigration of Chinese into Manchuria prohibited.

1750 Immigration of Chinese again prohibited.

1768 Russians come to Kiakhta for trading.

1796 Accession of Emperor Chiayang.

1821 Accession of Emperor Taokuang.

1842 "Treaty of Nanking," (ending the 'Opium War').

1847 Count Muraviev appointed Governor-General of Eastern Siberia.

1850-64 Taiping Rebellion.

1851 Accession of the Emperor Hsienfeng.

1854 Count Muraviev descends the Amur River with one thousand soldiers, without obtaining the permission of China.

1856 Great Britain nad France declare war against China.

1858 The "Treaty of Aigun" signed between Russia and China (May 16/28), recognizing the left bank of the Amur River. as Russian, and the territory between the right bank of the Ussuri River and the sea as common territory between the two countries.

„ Tientsin Treaty" concluded between Russia and China (June 13).

„ "Tientsin Treaty" between Great Britain and China signed (June 26).

1860 British and French troops enter Peking.

„ By "Peking Treaty" (Nov. 2/14), Russia acquires the territory on the right bank of the Ussuri River.

1894-95 Sino-Japanese War.

1895 "Treaty of Shimonoseki" concluded between Japan and China (April 17).

„ By intervention of Russia, Germany and France (April 23), Japan obliged to announce retrocession of Liaotung peninsula (July 19).

„ Russo-Chinese Bank established with a capital of 15,000,000 rubles (Dec. 28).

1896 Treaty of Alliance between Russia and China ("Li-Lobanov Agreement"). (May 22).

„ "Contract for Construction and Operation of Chinese Eastern Railway" signed (Sept. 8), Russia obtains the right of constructing the C.E.R. through Kirin and Heilungkiang Provinces to connect Chita and Vladistok by a nearly straight railway line.

„ Chinese Eastern Railway Company is established (Dec. 16).

1898 Germany acquires the lease of Kiaochow (March 6).
Russia obtains twenty-five years' lease of Liaotung peninsula (March 27).

1898 "Preliminary Loan Agreement for Peking-Newchwang Railway" signed by Hongkong and Shanghai Banking Corporation and China (June 7).

„ Great Britain acquires lease of Weihaiwei (July 1).

„ By the "Agreement concerning Southern Branch of Chinese Eastern Railway" Russia obtains the right to construct a railway which connects the C.E.R. to Liaotung peninsula (July 6). (Construction completed in 1902).

„ "Shanhaikwan-Newchwang Railway Loan Agreement" signed by British and Chinese Corporation, Ltd. and China (Oct. 10.).

1899 Russia and Great Britain exchange "Notes regarding Railway Interests in China" (April 28).

„ Exchange of "Notes between Russia and China with regard to Railways Northward and North-eastward from Peking" (June 17).

„ By an Imperial order Russia announces to create Dalny a free port (August 11).

„ John Hay proposes 'Open Door' in China (Sept.-Nov.).

1900 The Boxer Rebellion.

1902 Agreement relating to China and Korea reached between Japan and Great Britain (Jan. 30) ("First Anglo-Japanese Alliance").

„ Convention between Russia and China in regard to Manchuria signed (April 8).

„ Re-establishment of Chinese authority in Manchuria and evacuation of Manchuria by Russia agreed. (Russia fails, however, to carry out her promise).

„ Second Anglo-Japanese Alliance concluded (Aug. 12).

1904-5 Russo-Japanese War.

1905 "Treaty of Portsmouth" concluded between Japan and Russia (Sept. 5).

(By the Treaty, (1) China's sovereignty in Manchuria was recognized, Russia transferred to Japan, with the consent of China, the lease of Port Arthur, Dairen, and adjacent territory and territory waters, together with all rights, privileges, and concession with or forming part of this lease; (2) Russia transferred to Japan the railway between Changchun and Port Arthur and its branch lines, together with all rights, privileges and properties appertaining thereto.)

„ Japan concluded the "Treaty of Peking" with China in conformity with the terms of the Portsmouth Treaty (Dec. 22), and obtains the consent of China to the transfer by Russia of the lease, privileges, and properties mentioned in the Treaty of Portsmouth, and also the right of maintaining, improving and operating the railway line between Mukden and Antung, which was constructed by Japan during the war.

„ E. H. Harriman proposes to purchase the South Manchuria Railway, but the proposal was rejected by Japan.

1906 By an Imperial Ordinance the Organization of the South Manchuria Railway Company proclaimed (June 7).

„ Japan announces the organization of the Kwantung Government-General in the Kwantung Leased Territory (July).

1907 "Loan agreement regarding Mukden-Hsinmintun and Changchun-Kirin Railways" concluded between Japan and China (April 15).

„ "Agreement regarding Establishment of Maritime Customs Office at Dairen" signed by Japan and China (May 30).

„ "Political Convention" between Japan and Russia concluded (July 30).

„ Question of 'parallel line' arises regarding China's proposal to build Hsinmintun-Fakumen Railway in co-operation with a British firm of contractors, Pauling & Co. Japan twice protests on the ground that the project contradicts the 'protocol' attached to the Peking Treaty of 1905. (The matter dragged on till 1909, when China dropped the scheme).

„ The United States attempts to acquire the right to establish a Manchurian Bank with a capital of $10,000,000, with view to financing the railway, connecting Hsinmintun and Aigun. The project, however, fails owing to political changes in China.

1908 Agreement reached between Great Britain and China in regard to Shanhaikwan-Hsinmintun section of Peking-Mukden Railway (March 25).

„ "Regulations for Sino-Japanese Joint Stock Lumber Company for Exploitation of Yalu Timber" announced. (Sept. 11).

„ "Supplementary Loan Agreement for Hsinmintun-Mukden and Kirin-Changchun Railways" signed (Nov. 12).

„ "Exchange of Notes declaring Policy in Far East." (So-called "Takahira-Root Agreement") (Nov. 30).

1909 Russia and China sign "Preliminary Agreement in regard to Municipal Administration in the C.E.R. Zone" (May 10).

„ "Detailed Agreement regarding Loans for Hsinmintun-Mukden and Changchun-Kirin Railways signed (Aug. 18).

„ Japan and China conclude the "Agreement concerning Mines and Railways in Manchuria," and "Agreemnt relating to Chientao Region." (Sept. 4). (By the former agreement it was decided that China should previously arrange with Japan in the event of her undertaking to contract a railway between Hsinmintun and Fakumen, that China should recognize the Tashichiao-Yingkow line as a branch line of the S.M.R., that China should recognize the right of Japan to work coal mines of Fushun and Yentai, that all mines along the Antung-Mukden Railway and the main line of the S.M.R., excepting those at Fushun and Yentai, should be exploited as joint enterprises of the Japanese and Chinese, and that Japan should agree to the extension of the Peking-Mukden Railway to the city wall of Mukden. And by the latter agreement the long disputed boundaries between China and Korea was fixed along the Tumen River, and Koreans were given the right to settle freely and own land in the Chientao district.

„ "Preliminary Agreement for Chinchow-Aigun Railway" signed between Pauling & Co. of Great Britain, American group of financers, and the Chinese Government. (Oct. 2). (Russia opposed the plan and Japan claimed participation. The question was submitted ultimately to the

New Four-Power Consortium by America).

„ Secretary Knox of the United States proposes to internationalize the railways in Manchuria. (Dec.) (Russia and Japan opposing the scheme, sent their replies simultaneously to the United States, rejecting the proposal).

1910 "Second Russo-Japanese Convention" concluded (July 4) in view of protecting their common interests in Manchuria against a third Power.

„ Amalgamation of Korea and Japan (Aug. 29).

„ By a preliminary agreement the United States acquires right to loan for currency reform and industrial development in China.

1911 "Chinese Currency Reform and Industrial Development Loan Agreement" signed by China and Four Powers' Consortium (April 15), the United States agreeing to give up the right, which she acquired in the preceding year, to the Consortium.

„ Third Anglo-Japanese Alliance concluded (July 13).

1911-12 Revolution in China, the Manchu dynasty overthrown and China becomes a Republic.

1912 Yuan Shi-kai proclaimed President of China.

„ "Russo-Mongolian Agreement" signed (Nov. 3).

1913 Japan and China exchange "Notes regarding Construction of certain Railways in Manchuria" (Oct. 5), and in consequence, Japan acquires the right to loan for the construction of five railways, namely (1) Ssupingkai-Chengchiatun-Toanan, (2) Kaiyuan-Hailung, (3) Changchun-Taonan (4) Taonan-Jehol, and (5) Hailung-Kirin lines. For the first three railways China is to ask loan from Japan and for the last two she is to consult Japanese financers first.

„ Russia and China issue "Declaration in regard to Outer Mongolia" (Nov. 5).

1914-1918 The Great War.

1915 "Treaty, and Exchange of Notes, respecting South Manchuria and Eastern Inner Mongolia" (May 25). (By this Treaty the term of lease of Port Arthur and Dalny and the terms of the S.M.R. and Antung-Mukden Railway were extended to 99 years, namely, the definite time for the expiration of the terms of lease became 1997 for the Kwantung Leased Territory, 2002 for the S.M.R. and 2007 for the Antung-Mukden Railway. Secondly, the Japanese acquired right to lease land by negotiation in South Manchuria. Thirdly, the Japanese acquired rights to reside and travel freely in South Manchuria and to engage in business and manufacture of any kind, and fourthly the Chinese government agreed to give permission to Japanese and Chinese who desire to undertake agricultural enterprises jointly).

„ Russia, China and Mongolia sign "Tripartite Agreement regarding Outer Mongolia (June 7).

„ Russia and China conclude "Arrangement concerning Situation of Hulunbuir (Hailar) (Nov. 6), Russian position in North Manchuria strengthened.

„ Yokohama Specie Bank and China conclude "Loan Agreement for

Ssupingkai-Chengchiatun Railway (Dec. 27).

1916 Chang To-lin becomes Military and Civil Governor of Fengtien Province.

„ Yuan Shih-kai attempts to restore monarchy.

„ "Convention in regard to Co-operation in the Far East" concluded between Japan and Russia (July 3).

„ Chengchiatun Incident.

1917 Japan and China exchange "Notes regarding Settlement of Chengchiatun Affair, Employment of Japanese Military Advisers and Instructors, Establishment of Japanese Police Stations in South Manchuria and Eastern Inner Mongolia, and withdrawal of Japanese Troops from between Ssupingkai and Chengchiatun (Jan. 28).

„ South Manchuria Railway Co. and China sign "Agreement for Kirin-Changchun Railway Loan" (Oct. 12).

„ Japan and the United States exchange "Identic Notes regarding Mutual Interests relating to China (Ishii-Lansing Agreement)" (Nov. 2), the principle that 'territorial propinquity creates special relations between countries' accepted.

1918 "Preliminary Agreement for Kirin-Kainei Railway Loan" concluded between Japanese banks and China (June 18).

„ "Agreement for Loan for Gold Mining and Forestry in Heilungkiang and Kirin" signed by Japanese banks and China (Aug. 2).

„ Japan and China exchange "Notes regarding Four Railways in Manchuria and Mongolia" (Sept. 24).

„ "Contract for Loan for Four Railways in Manchuria and Mongolia" signed by Japanese banks and China (Sept. 28).

1918-22 Allied intervention in Siberia.

1919 Imperial Ordinance of Japan regarding the Organization of the Government of Kwantung issued (April 12).

„ Karakhan issues Soviet "Declaration to the Chinese Nation and the Governments of the Southern and Northern China" (July 25).

1920 The New Consortium formed (Oct. 15).

„ "Second Soviet Declaration on policy towards China" (Oct. 27).

1921-22 Washington Conference.

1922 First Mukden Chihli War. Declaration of independence of the Three Eastern Provinces.

„ Japanese delegate to the Washington Conference announces that Japanese capital, which has had the monopoly of loans for construction of railways in South Manchuria and Eastern Inner Mongolia and of loans having for security the taxes in that region, is willing to forego this monopoly and open the field to the enterprise of the International Financial Consortium, and that Japan has no intention of insisting on a preferential right in the engagement of foreign advisers or instructors by China on political, financial, military, or police matters in South Manchuria (Feb. 2).

„ "Nine Power Treaty regarding to Principles and Policies to be followed in matters concerning China" signed (Feb. 6).

Principle of 'Open Door' affirmed formally by the treaty, and the Powers other than China agree: (1) To respect the sovereignty, the independence, and the territorial and administrative integrity in China; (2) To provide the fullest and unembarrassed opportunity to China to develop and maintain for herself an effective and stable government; (3) To use their influence for the purpose of effectually establishing and maintaining the principle of equal opportunity; and (4) To refrain from taking advantage of conditions in China in order to seek special rights or privileges.

1923 China requests nullification of the Treaty of 1915, but Japan refuses. (March 10).

„ Japan and the United States exchange "Note in regard to Cancellation of Ishii-Lansing Agreement" (April 14).

1924 "Agreement on General Principles for the Settlement of the Question between the U.S.S.R. and the Republic of China" signed (May 31).

„ "Agreement for the Provisional Management of the Chinese Eastern Railway" signed (May 31).

„ Agreement between the Government of the Autonomous Three Eastern Provinces of the Republic of China and the Government of the U.S.S.R., concerning Mutual Rights and Principles" signed at Mukden (Sept. 20). The main features of this Agreement are as follows:

(1) The Soviet Union recognizes that the C.E.R. is a purely commercial enterprise, (2) In the management of the Railway, the two countries are equally represented, (3) After the expiration of sixty years from August 27, 1896, instead of eighty years, as formerly provided, the railway shall pass by reversion without payment into Chinese possession. China may recover the railway at any time upon paying, with her own capital, the price agreed upon by the two governments. (4) Both parties agree that the future of the C.E.R. shall be determined by the U.S.S.R. and China to the exclusion of any third party or parties. (5) The two governments recognize equal rights of navigation on border rivers, and maintenance of the present border line, and also agree not to engage in propaganda directed against the political and social systems of the other contracting party.

„ Second Mukden-Chihli War.

„ Commander-in-Chief of Kwantung Army issues a statement on the attitude of Japanese military authorities in Manchuria in regard to maintenance of peace and order in that region, (Oct. 30).

1925 Third Mukden-Chihli War.

„ Contract for construction of Kirin-Tunhwa Railway concluded between the S.M.R. Co. and China, (Oct. 24).

„ Revolt of Kuo Sung-ling (Nov.-Dec.).

„ Japan issues announcement on her attitude towards political disturbances caused by the revolt of Kuo Sung-ling, (Dec.).

1926 Mukden Forces enter Peking (June).

„ Hulan-Hailun Railway partly completed (July).

„ Taonan-Angangki Railway partly opened to traffic (July).

,, Chiang Kai-shek, Commander-in-Chief of the Nationalist Army issues declaration of 'Northern Expedition' (July 9).

,, Peking Government demands recall of Soviet Ambassador (Aug. 30).

,, Chang Tso-lin appointed Commander-in-Chief of the Ankuochun (Dec. 1) and enters Peking (Dec. 27).

1926-28 The National Revolution.

1927 Nanking occupied by Nationalist Forces (March).

,, Raid of Soviet Embassay at Peking (April 6).

,, Contract for construction of Kirin-Tunhwa Railway revised (May 20).

,, Contract for construction of Taonan-Solun Railway concluded between Japan and Peking government (May 20).

,, Chang Tso-lin appoints himself Grand Marshal (June 18).

,, Japan despatches troops to Shantung (June-July).

,, Mukden-Hailung (Chaoyangchen) Railway completed (Sept.).

,, Tahushan-Tungliao Railway completed (Oct.).

1928 Clash between Japanese and Chinese troops at Tsinan (May).

,, Contract on construction of four railways, namely: Yenchi-Hailin Tunhwa-Laotoukuo, Laotoukuo-Tumen and Changchun-Talai concluded between Japan and Peking Government (May 13-15).

,, Japan sends note to Chinese generals and announces her intention to take, if necessary, 'appropriate, effective steps for the maintenance of peace and order in Manchuria' (May 18).

,, Chang Tso-lin retreats from Peking and meets an unexpected death (June 4). Chang Hsueh-liang succeeds his father.

,, Construction of Kirin-Tunhwa Railway completed (Aug.).

,, Independence movement in Barga (Sept.-Oct.).

,, Construction of Hulan-Hailun Railway completed (Dec.).

,, Mukden Government orders the Three Eastern Provinces to hoist Nationalist flag (Dec. 29).

1929 North-Eastern Political Committee formed, and the Three Eastern Provinces become formally under the authority of Nanking (Jan. 9).

,, Fengtien province renamed Liaoning province (Feb. 5).

,, Kirin-Hailung (Chaoyangchen) Railway completed (May).

,, Sino-Soviet conflict over Chinese Eastern Railway (May-Dec.).

,, Chinese raid on the Russian consulates at Harbin (May 27).

,, Chinese arrest the Russian manager of the C.E.R. and others (July 10).

,, Reminder sent to the U.S.S.R. and China about the Kellogg Pact (Dec.)

,, Khabarovsk Protocol signed (Dec. 22) re-establishing the 'status quo ante' on the Chinese Eastern Railway.

1930 Sino-Soviet conference on the C.E.R. affairs.

,, War between Yen Hsi-shan and Chiang Kai-shek (Feb.-Sept..).

,, "Sino-Japanese Customs Tariff Agreement" signed (May 6).

,, Chang Hsueh-liang intervenes between the Northern Army under Yen Hsi-shan and Feng Yu-hsiang, and National Government (Sept. 18). The Mukden troops enter Peking (Sept. 21).

1931 Clash between Japanese and Chinese soldiers at Liukiaokou, and Japanese troops occupy Mukden and Kuanchengtzu. China appeals to the League of Nations for mediation of the Manchurian Incident (Sept.) Chief Secretary Drummond advices Japan and China not to enlarge the situation. The Council of the League of Nations decides to invite observers. Nanking Government demands Japan to evacuate the troops from Manchuria (Oct.) Clash between Japanese and Chinese Armies at Nanking. Briand, Chairman of the League Council, advices Japan and China to stop the disputes. Japanese Army enters Tsitsihar. Nanking Government demand Japan again to evacuate her troops (Nov.) Tsang Shih-Yi appointed Mayor Mukden. Heilungkiang Province declares independence (Dec.).

1932 Japanese troops enter Chinchow. New Heilungkiang Provincial Government established. Chang Hai-peng plans to establish a new independent state in Manchuria (Jan.) Japanese Army attacks the Ting Chao troops and enters Harbin.

The League Commission of Inquiry arrives at Tokyo (Feb.) Proclamation of Independence of Manchoukuo. Pu Yi appointed Chief Executive of Manchoukuo. Changchun made capital of Manchoukuo and name is changed to Hsinking (Mar.) Declaration of Customs Tariff Autonomy of Manchoukuo (June). Ting Chien-hsiu visits Japan as special envoy of Manchoukuo. Ma Chan-shan defeated and escapes (July). General Muto, Japanese Ambassador and Envoy Plenipotentiary to Manchoukuo arrives at Mukden (Aug.) Japanese recognition of Manchoukuo. Japan-Manchoukuo Protocol signed. The Lytton Report released. Japanese Army enters Tunghua (Oct.) Japanese Army enters Chalantun (Nov.) Japanese Embassy located at Hsinking.

1933 Manchoukuo protests against Chang Hsueh-liang. Chinese Government issues a project against Japan on the Shanhaikwan Incident (Jan.) Japan-Manchoukuo Army makes expedition to Jehol. Japanese Army occupies Chaoyang (Feb.) Japanese Army occupies Chihfeng and Lingyuan, Luanping and Kupehkou (Mar.) Japan-Manchoukuo Agreement on Leasehold Privileges signed. The Investigation of Manchoukuo Constitutional Law begins. China charges high rate tax on the goods imported from Manchoukuo. Ambassador Muto dies. Manchoukuo's New Currency system (M¥) adopted. (July). The Anniversary of founding of Manchoukuo celebrated (Sept.). Shanhaikwan incorporated in Manchoukuo formally (Nov.).

1934 The Imperial Regime adopted. Chang Hsueh-liang appointed Commander of Bandits Suppression Army of Honan, Hupei and Anwei Provinces (Jan.). Pu Yi rises to the throne of the Emperor of Manchoukuo. New Organization Law of Government issued (Mar.). General Hishikari appointed second Japanese Ambassador to Manchoukuo. Pope recognizes Manchoukuo . The Orchid Flower decided upon as the Imperial Crest of Manchoukuo (Apr.). Recognition of Manchoukuo by Salvador (May). H.I.H. Prince Chichibu as Imperial proxy visits Manchoukuo carrying message to the Emperor of Manchoukuo from the Emperor of Japan.

The negotiation for purchasing the Chinese Eastern Railway reaches a deadlock. The Manchoukuo customs house at Kupehkou opened (July). Russo-Manchoukuo Water Routes Agreement signed (Sept.). Manchoukuo Local Administration system proclaimed. Japanese Administrative Organ in Manchoukuo established (Oct.). General Minami appointed Commander of Kwantung Army. The Circulation of Hsien Tayuan prohibited (Dec.).

1935 The postal routes between Manchoukuo and China reopened. (Jan.). Japan-Manchoukuo Customs Tariff Agreement signed (Feb.). Convention for Purchasing the Chinese Eastern Railway signed (Mar.). H.I.H. the Emperor of Manchoukuo visits Japan. State Monopoly Petroleum Law issued. The Message of friendship from the president of Dominican Republic arrives (Apr.). Preparatory Convention between Manchoukuo and Outer Mongolia begins at Manchouli (May). Grand Naval Review in commemoration of the enthronement of the Emperor held on the Sungari. Exchange of postal money orders between Manchoukuo and Germany begins. Abolition of extra-territoriality decided upon to be enforced from July of following Year (Nov.).

1936 Abolition of North Manchuria Special District (Jan.). Japanese troops defeat the Outer Mongolian Army invading the frontier and destroy eight airplanes (Mar.). East Hopei Autonomous Government sends a special envoy for friendly relation to Manchoukuo. Manchoukuo undertakes to make research on the East frontier. Major-General Itagaki appointed Chairman of Japan-Manchoukuo Joint Economic Commission. Manchoukuo-Germany Trade Convention signed (Apr.) Soviet-Manchoukuo Water Routes Technical Committee held at Blagoveschensk (May). The Overseas Department of Japan decides to send 5,000 families to Manchoukuo as immigrants from the following year. Japan-Manchoukuo Treaty for Protection of Industrial Properties signed (June). Manchuria Development Company established. The Treaty on Postal Affairs between Japan and Manchoukuo signed (Dec.). Japan-Manchou Social Works Association established (Sept. 12). The Memorial Tower to the Japanese Soldiers at Harbin unveiled (Sept. 23). Sino-Japanese Air Routes Through Traffic Agreement signed (Oct. 17). Dr. Knoll appointed German Trade Representative to Manchoukuo (Nov. 24).

Anniversary of East Hopei Autonomous Government (Nov. 25). Prime Minister Chang Ching-hui issues the statement on the Japan-German Anti-Communist Agreement (Nov. 26). Italian Consulate-General permitted to be located at Mukden (Dec. 1). Japan-Manchoukuo unification of time (Dec. 5). Match Monopoly Law promulgated (Dec. 20). Salt Monopoly Law proclaimed (Dec. 24). The Manchurian Affairs Board of Japan issues the statement on Manchoukuo Industrial Development plan. New Manchoukuo Post Law promulgated (Dec. 26).

1937 Conference of Provincial Governors held (Jan. 22). Imperial Throne

Succession Law promulgated. Lieut.-General Tojo succeeds Lieut-General Itagaki and oppointed Chief of the Staff of Kwantung Army (Mar. 1). Imperial Property Administration Law proclaimed. Dr. Knoll arrives at Hsinking (Apr. 1). Sino-Japanese Hostilities Break Out at Lukowchiao in the outskirts of Peking (July 7). Agreement reached to entrust heavy industries of Manchoukuo under supervision of the S.M.R. Company to the Nippon Sangyo Company (Manchuria Industrial Development Corporation) (Nov. 1).

1938 Germany extends de jure recognition to Manchoukuo (Feb. 20). National Mobilization Law promulgated (Feb. 26). 5-year industrial plan revised (May 14). Japan-Manchoukuo-Italy Commercial Treaty and Manchoukuo-Italy Commerce & Navigation Treaty concluded (July 5). Manchoukuo-Germany Foreign Trade Agreement concluded (Sept. 14). Manchoukuo declaration of cooperation with Konoe statement in China policy (Dec. 22).

1939 Hungary extends de jure recognition to Manchoukuo (Jan. 10.) Participation in Anti-Comintern Agreement declared by Premier Chang. (Jan. 16). Manchoukuo-Hungary Anti-Comintern Pact concluded (Feb. 24). First Nomonhan Incident breaks out (May 11). 2nd Nomonhan Incident breaks out (June 17). Nomonhan Armistice treaty concluded (Sept. 15).

1940 The New National Army Law promulgated (Apr. 11). Revised Japan-Manchoukuo Commercial Pact concluded (June 26). The Emperor pays formal visit to Tokyo (June 26). Establishment of Chienkou Shrine in Imperial Palace (July 15). Provincial Census Registration Act promulgated (Aug. 1.). New Manchoukuo-Reich Trade Agreement signed (Sept. 12). Temporary National Census compilation commenced (Oct. 1). Japan-Manchoukuo-China Joint Declaration on establishing East Asia Co-prosperity Sphere announced (Nov. 30). Roumania extends de jure recognition to Manchoukuo (Dec. 4). Results of Provisional Census published. (Population of Manchoukuo 43,000,000 standing on Oct. 1) (Dec. 25).

1941 2nd Coal production expansion plan decided (Feb. 5). Lu Yung-huan appointed Ambassador to Nanking (Jan. 15). Newly appointed Chinese Ambassador to Manchoukuo Lien Yu arrives at Hsinking (Feb. 23). Japan-Manchoukuo-China communications unifying policy decided (Feb. 24). Teh Wang pays formal visit to Tokyo (Feb. 24). Roosevelt orders freezing Japanese assets in U.S.A. (Mar. 3). Wool production increasing plan decided (Mar. 4). Manchuria Development Co. amalgamates Manchuria-Chosen Development Co. (Apr. 1). Copper production encouragement rule promulgated (Apr. 1). Manchoukuo Iron Ore development plan decided (Apr. 4). Industrial Promotion Loan Law promulgated (Apr. 17). Manchuria Development Co. increases capital by ¥15,000,000 (Apr. 23). Japan-Manchoukuo-Germany Trade Conference held (Apr. 29). Manchoukuo Investment Securities Co. (capital ¥400,000,000) established (Apr. 29). Bulgaria extends de jure recognition to Manchoukuo (May 14). Japan and U.S.S.R. exchange ratifications of Neutral Pact (May 20). Manchoukuo-Germany Trade Pact to be effective another 5 months (May 31). Manchoukuo Army receives first conscripted soldiers (June 1). The Emperor makes inspection tour to Northwest district (June 2). Spain establishes legation in Manchoukuo (June 4). Japan-Manchoukuo Economic Conference held (June 9). Wang Ching-wei pays formal visit to Japanese Capital (June 17). Manchoukuo Wool Co. established (June 22). Ssuping Province newly established (July 1). Finland extends de jure recognition to Manchoukuo (July 21). Freezing British and American assets in Manchoukuo ordered (July 28). Commodity Price Suspending Law promulgated (July 29). Foreign Exchange Law revised (Aug. 1). Manchoukuo extends de jure recognition to Croatia (Aug. 2). Manchuria Ceramic Wares Co. established (Aug. 5). Thailand extends de jure recognition to Manchoukuo (Aug.). Manchoukuo-Outer Mongolia Joint Communique on Nomonhan Frontier Regulation announced (Aug. 20). Suifeng Dam of Yalu River completed (Aug. 25). Denmark extends de jure recognition to Manchoukuo (Aug. 27). British subjects in Japan and Manchoukuo decide to leave (Aug. 30). Automobile Transportation Industries Law promulgated (Sept. 1). 2nd 5 year Industrial Plan fundamental principles established (Sept. 2). 2nd Provincial Governors' Conference held (Sept. 5). Japan-Manchoukuo Joint Committee's Conference held (Sept. 9). 1st Enshrinement Rites of Kienkuo Chunyu Miao (Shrine deifying the war-dead in the establishment of Manchoukuo) held (Sept. 17). Treaty of Amity, Commerce and Navigation signed between Manchoukuo and Spain. (Sept. 18). Joint declaration is made by the Manchoukuo & Outer Mongolia Governments regarding settlement of border demarcation. (Oct. 15)

CHAPTER III

POPULATION AND RACES

The population of Manchoukuo where modern methods of census taking was unknown until the advent of the new regime naturally remained a matter of conjecture, except in the Japanese Leased Territory and Railway Zone. Estimates were difficult to compile since the population in some part was seasonal in movement. The withdrawal of Chang Hsueh-liang's forces in large numbers following the military outbreak of 1931 and the consequent movement of soldiers' families from Manchuria had a considerable effect on the population position of the country.

With regard to the national census investigation, the Statistics Office attached to the Legal Bureau of the State Council was charged in 1933 with the compilation of general statistics by collecting reports from the local governments. At the same time the statistical section of the General Affairs Bureau in each provincial government was charged to gather data with regard to the districts under their respective jurisdiction.

Table 1. YEARLY COMPARISON OF POPULATION

(Unit: 1,000)

	Manchoukuoan		Japanese		Chosenese		Others		Total
	Male	Female	Male	Female	Male	Female	Male	Female	
*1932	16,110	13,009	61.8	54.8	—	—	79.6	58.8	29,969
*1933	16,804	13,621	98.5	80.1	308.5	271.4	51.5	48.3	31,284
*1934	17,818	14,486	137.1	104.7	369.6	321.1	40.8	38.0	33,315
*1935	18,402	15,135	178.2	140.6	415.8	358.9	36.1	36.5	34,702
*1936	18,896	15,619	219.1	173.7	483.0	411.7	34.6	33.4	35,871
1937	19,428	19,105	232.9	185.4	502.7	428.9	33.7	32.6	36,950
1938	20,156	16,823	302.3	219.9	568.7	478.6	33.4	32.3	38,624
1939	20,491	17,090	377.9	264.4	627.6	534.5	34.0	33.7	39,454
1940	—	—	—	—	—	—	—	—	**43,234**

Note: * Inclusive of former S.M.R. zone. The total population of Kwantung Province, which is not included in this table, was 1,225,570, consisting of 189,689 Japanese, 4,496 Chosenese, 1,772 other foreigners and 1,038,613 Manchoukuoans at the end of 1938.

Census Population of October 1, 1940

The first provisional national census of Manchoukuo was taken on October 1, 1940. On December 25th the results of that census were announced and showed that the population of the country stood at 43,233,954. At this figure Manchoukuo is the ninth largest in the world, ranking next to Italy whose population in 1939 was 43,509,000, and surpassing France's population of 41,980,000 by 1,400,000.

Despite the fact that this was the first national census to be taken in the country, compilation of the census returns pouring into the Provisional National Census Bureau from all parts of the country, was completed within only 86 days.

Of the total population, males numbered 23,919,963 and females 19,313,991, giving a ratio of 123.8 males to 100 females. This ratio is very high compared with other countries.

The density of population is 33 persons per square kilometre (the total area of Manchoukuo being 1,303,143 square kilometres). It is very low compared with Japan Proper's 190 persons per square kilometre (1939), Germany's 135 (1939), and Britain's 195 (1938), but is higher when compared with Soviet Russia's 8 persons (1939) and the United States' 17 (1938).

Fengtien Province had the largest population, or 10,325,530, followed by Kirin Province, with 5,865,024, and Jehol Province with 4,557,676. Chinchow Province was fourth with 4,323,239, and Pinkiang Province fifth with 4,236,410. Other provinces with more than 2,000,000 were Peian, Antung, and Lungkiang. The next group, with more than 1,000,000, were Sankiang and South Hsingan Provinces. Tunghua Province had more than 900,000 (in round figures); Chientao Province, 800,000; West Hsingan Province, 700,000; Mutankiang Province, 600,000; Tungan Province, 500,000; East Hsingan Province, 200,000; and Heiho and Hsingan Province each with 100,000.

The combined population of the Hsinking Special Municipality and 17 other cities was 4,596,954, comprising 10.6 per cent of the total population of the country. Of the total urban population, males numbered 2,879,727, and females 1,717,227, giving a ratio of 167.7 males to 100 females.

The largest city is Mukden, with 1,135,801, followed by Harbin with 661,984, and the Hsinking Special Municipality with 554,202. Twelve cities, namely Antung, Fushun, Anshan, Yingkou, Mutankiang, Kirin, Fuhsin, Chinchou, Tsitsihar, Chiamussu, Liaoyang and Penhsihu, had more than 100,000, while Ssuspingkai had more than 60,000, and Tiehling in excess of 50,000. The smallest city is Hailar, with a population of 39,877.

The rural population counted 38,637,000, or 89.4 per cent of the total. Males comprised 21,040,236, and females 17,596,764, with a ratio of 119.6 to 100.

The population according to provinces was as follows:

Table 2. POPULATION BY PROVINCES

	Population	Males	Females	No. of males to each 100 females	Population density per sq. km.
Hsinging Special Municipality ..	554,202	345,710	208,492	165.3	1,266.3
Kirin Prov.	5,865,024	3,204,931	2,660,093	120.5	66.0
Lungkiang	2,087,814	1,158,841	928,251	124.8	30.9
Peian	2,318,053	1,316,478	1,001,575	131.4	30.4
Heiho	149,679	114,613	15,066	326.8	1.3
Sankiang	1,417,888	853,306	564,582	151.1	15.7
Tungan	522,833	346,596	176,265	196.6	12.6
Mutankiang	689,113	447,284	241,829	185.0	20.9
Pinkiang	4,236,410	2,369,463	1,866,947	126.9	66.3
Chientao	848,819	467,789	381,030	122.8	28.0
Tunghua	982,942	603,688	379,254	159.2	31.0
Antung	2,233,284	1,171,081	1,061,203	110.4	84.2
Fengtien	10,325,530	5,606,481	4,719,049	118.8	137.9
Chinchow	4,323,239	2,242,270	2,080,969	107.8	107.6
Jehol	4,557,676	2,450,864	2,106,812	116.3	44.2
West Hsingan ..	763,804	427,756	336,048	127.3	10.3
South Ssingan ..	1,026,235	580,587	445,648	130.5	13.4
East Hsingan ..	200,654	120,906	79,748	151.6	1.8
North Hsingan ..	132,477	91,347	41,130	222.1	0.8
TOTAL	43,233,954	23,919,963	19,313,911	123.8	33.2

The Population according to cities was as follows:

Table 3. CENSUS POPULATION BY CITIES

	Population	Males	Females	No. of males to each 100 females	Population density per sq. km.
Hsinking	544,202	345,710	208,492	165.3	1,243.0
Mukden	1,135,801	716,604	419,197	170.9	4,335.0
Harbin	661,984	419,761	242,223	173.3	823.6

(Continued)

	Population	Males	Females	No. of males to each 100 females	Population density per sq. km.
Kirin	173,624	104,551	69,073	151.4	1,490.9
Chinchou	142,606	87,814	54,792	160.3	1,242.2
Tsitsihar	133,495	82,978	50,517	164.3	1,995.1
Antung	315,242	182,551	132,691	137.6	1,048.4
Mutankiang	179,217	119,438	59,779	199.8	494.1
Fuhsin	143,288	92,692	50,596	183.2	418.3
Ssupingkai	68,418	40,320	28,088	143.6	2,330.3
Yingkou	180,871	106,491	74,380	143.1	1,622.1
Tiehling	55,656	31,323	24,333	128.7	2,528.8
Penhsihu	100,057	72,185	27,872	259.0	2,867.0
Liaoyang	100,165	56,218	43,947	127.9	3,731.9
Anshan	213,865	131,926	81,939	161.0	1,735.4
Chiamussu	128,667	95,336	43,431	196.3	1,133.2
Hailar	39,877	29,499	10,378	184.2	2,345.7

Table 4. POPULATION CLASSIFIED BY OCCUPATIONS

(December 1937)

	Manchoukuoan		Japanese		Chosenese		Others		Total	
		%		%		%		%		
Agriculture and Forestry ...	21,722,254	60.1	10,098	2.4	527,463	56.5	8,728	13.1	22,268,543	60.2
Aquatic	50,053	0.1	235	0.0	5,428	0.6	293	0.4	56,009	0.2
Mining	172,773	0.5	25,638	6.0	5,331	0.6	322	0.5	204,064	0.5
Mfg. Ind.	1,032,967	2.9	39,910	9.5	30,057	3.2	6,659	10.0	1,109,593	3.0
Commerce	1,636,297	4.6	73,134	18.4	40,676	4.3	6,270	9.4	1,756,377	4.5
Transportation .	109,455	0.3	29,194	6.9	5,075	0.6	3,388	5.1	147,112	0.3
Official and Free Occupations .	1,317,560	3.7	78,413	18.7	37,657	4.0	9,322	14.0	1,442,952	3.9
Domestic Workers	2,838,110	8.0	22,014	5.3	62,882	6.3	12,670	19.2	2,935,676	7.8
Other Occupations	1,701,209	4.8	40,876	9.8	55,052	5.9	9,479	14.3	1,806,616	4.9
Without Occupations	4,953,053	15.0	98,788	23.0	161,999	17.4	9,190	13.7	5,223,030	14.5
Total	35,533,731	100.0	418,300	100.0	931,620	100.0	66,321	100.0	36,949,972	100.0

Table 5. MANCHOUKUOANS CLASSIFIED BY RACES

(Dec. 1939)

Province	Manchus & Hans	Mongolians	Mohammedans	Total
Hsinking	301 078	405	4,958	306,441
Kirin	5,156,953	22,919	29,020	5,208,892
Lungkiang	1,670,714	123,152	6,241	1,800,807
Peian	2,025,016	1,885	3,585	2,030,486
Heiho	76,218	18	760	76,996
Sankiang	1,159,108	—	2,946	1,162,054
Tungan	294,370	—	178	294,548
Mutankiang	336,103	13	1,719	337,835
Pinkiang	3,685,784	10,942	10,280	3,707,006
Chientao	172,936	—	606	173,542
Tunghua	757,606	3	3,428	761,037
Antung	2,128,962	4	9,131	2,138,097
Fengtien	9,349,317	6,909	52,532	9,408,758
Chinchow	4,045,238	146,163	15,709	4,207,110
Jehol	4,043,431	138,371	24,771	4,206,573
Hsingan W.	518,930	134,422	3,601	656,953
Hsingan S.	502,296	397,577	2,482	902,355
Hsingan E.	110,673	20,622	54	131,349
Hsingan N.	38,681	31,420	893	70,994
Total	36,373,414	1,035,525	172,894	37,581,833

	Japanese			
	Proper	Chosenese	Others Nationalities	Grand Total
Hsinking	95,593	12,468	971	415,473
Kirin	33,127	119,908	544	5,362,471
Lungkiang	18,248	4,850	667	1,824,572
Peian	20,585	14,736	239	2,066,217
Heiho	6,067	1,075	195	85,064
Sankiang	24,937	23,524	335	1,210,945
Tungan	14,635	27,312	151	336,812
Mutankiang	29,902	76,115	2,065	445,385
Pinkiang	49,738	42,171	17,447	3,835,652
Chientao	15,857	548,717	104	738,294
Tunghua	6,362	82,155	115	849,690
Antung	23,106	54,486	32	2,215,779
Fengtien	257,265	127,664	813	9,795,138
Chinchow	28,991	18,787	65	4,254,983
Jehol	7,706	969	53	4,215,325
Hsingan W.	816	971	17	658,763
Hsingan S.	2,424	4,485	7	909,276
Hsingan E.	2,440	1,304	1,535	137,572
Hsingan N.	6,557	430	9,590	96,615
Total	642,356	1,162,127	67,710	39,454,026

Table 6. POPULATION BY RACES IN MANCHOUKUO

(1937)

	Men	Women	Total	No. of Households
Manchoukuoans	18,782,004	15,571,998	35,354,002	5,540,108
Mongols	538,352	448,128	986,480	172,913
Mohammedans	104,356	81,895	186,251	36,020
Others	3,703	3,295	6,998	1,725
Japanese	232,908	185,392	418,300	112,342
Chosenese	502,669	428,838	931,507	176,015
Others	65	48	113	27
Soviet Russians	3,552	3,717	7,239	2,622
Poles	689	633	1,322	483
British	191	202	393	167
Americans	102	83	185	82
Germans	199	134	333	138
French	80	242	322	72
Italians	19	11	30	17
Others	1,040	820	1,842	799

The Prehistoric Peoples of Manchuria and Mongolia. Varieties of neolithic remains are distributed throughout China, Manchuria, Mongolia and Siberia. Some of them, such as ancient Chinese copper vessels, earthen tripods and polished stone tools, are common to China, Manchuria and Mongolia, a fact suggestive of the relations which existed between the peoples of these countries in prehistoric ages. In contrast to this, however, must be noted an outstanding fact that the palaeolithic remains unearthed further north in Manchuria and Mongolia are exclusively crude tools of chipped flint. The line of distinction is so clearly drawn there that one may doubt if these northern inhabitants had any close ethnic affinities with those in the south. Theories have been advanced as to the prehistoric inhabitants of these countries, but none of accepted authority as yet. Much remains to be done in these lines. In the meantime we shall have to confine our attention to those peoples whose history has been preserved in one form or another, and also to those whose racial and tribal life continues to this day.

Peoples of Manchou

Suchens. The Suchens, also known as the Chishens and Hsichens, are the oldest people known in history. They are recorded to have presented thorn arrows and stone bows to Wu Wang, the founder of the Chou dynasty, who ruled China in the twelfth century B.C. Through misinterpretation of ancient chronicles, these people have been identified with the I-lous of Tungusic origin who rose to prominence as inhabitants of the Ninguta region in the Han period (206 B.C.–25 A.D.). They are described as inhabitants of the "north country" in the histories written in the times of the Ch'in and Han dynasties. It is a matter of historical truth, however, that at this period "the north country" did not extend so far north as to embrace what is at present known as Manchuria. The Suchens must have inhabited Jehol or southern Mongolia.

Ancient Ch'aohsien (Korean) Tribe. Legend makes Chitzu or the Viscount Chi, a former vassal of the Chou dynasty, the father of the Korean people. While he was a Han or Chinese, as his followers were, the people he ruled represented one of the earliest tribal indigenes of Manchuria. This tribal people has never been really identified; but in San Kuo Chih (History of the Three Kingdoms), compiled in the Chin period, reference is made to this under the head of the Wei tribes. They are said to have lived in the region of Liaoyang.

Shanjungs. They are a tribe of unidentified origin who lived to the west of Shanhaikwan. They are recorded to have been frequent invaders of China in the time of Huan Wang, the 14th emperor of the illustrious Chou dynasty. Against this tribe the lord of Yen had to appeal to the Chou emperor for his military aid. From this it may be assumed that the Shanjungs were quite equals of the Cathayans in point of military equipment, having developed iron arms and a military art of quite their own.

Tunghus. This tribe next appears in history towards the close of the Chou dynasty (1122–255 B.C.). Tunghu—Eastern Hu tribe—was so named because they lived to the east of the state of Chao whose historians refer to them as lightly armoured and well mounted barbarians. They made repeated attempts to invade the states of Yen and Chou. While their kingdom has never been exactly identified or traced back, their western border was in constant contact with the 'Huns' of western Chahar. Their eastern limit extended about as far as Liaoyang, occupying extensive areas, running from east to west, outside the Great Wall. This tribal kingdom was overthrown by the Huns about the time Han was at war with Chou. The defeated tribe broke up in two groups, the one later known as Wuhuans and the other as Sienpis.

Wuhuans and Sienpis. Of the Wuhuan tribe nothing has been heard of for more than a hundred years, until in 73 B.C., in the reign of Emperor Chao Ti, of Former Han, "the Wuhuans of Liaotung" are recorded to have revolted. The rebel tribe was successfully overcome by a Cathayan force of 2,000 horses. It is presumable that the Wuhuans had grown into a military factor of not inconsiderable strength.

The Sienpis has remained in obscurity for about two hundred and fifty years. In the time of Kuang Wu Ti, the first emperor of the Later Han dynasty (25–55 A.D.), they are said to have invaded Liaotung. Later, under the leadership of Tanshihhuai the Sienpis rose to power. Their royal court was set up near Changchiakuo. Having conquered all the eastern territory of the Huns in the 11th century, the Sienpi kingdom, according to a Chinese historian, had extended over a distance of more than 12,000 li from east to west and more than 7,000 li from north to south, "embracing therein mountains and rivers, and marshes and briny lands." In 178 A.D. they are said to have defeated great Han armies. The Sienpis maintained their power until their Northern dynasty was overthrown by a Sui emperor. A part of the Sienpis emerged as Mujungs in the time of the Chin, while another became the Khitans in the period following the Sui and Tang dynasties.

Fuyus. In the first description given of the Fuyus in the about quoted "San Kuo Chih," they are represented as a tribe living south of the Sungari, having as their neighbours the Kaokulis in the south, the I-lous in the east and the Sienpis in the west. Physically, large framed, and by nature cautious and non-aggressive, they are represented as an agrarian tribe of quite peaceful disposition. In contrast, it may be noted that the Kaokulis, though apparently of the same racial stock, are described as "impulsive by nature and of aggressive bent of mind." What is noteworthy is that the Fuyus wore garments of white cloth as the Koreans do at present, and their strongholds were built in a circular form, as mountain castles of Korea are known to have been in old times.

Mais and Kaokulis. What is called the Mai tribe in Chinese history was another of those closely allied with the original stock of the Korean race. They are said to have inhabited "Toumolou," which is now by common consent considered to be around the confluence of the Amur and Sungari. The Kaokuli tribe is generally regarded as of Fuyu origin. They first made their home in the valley of the Tungchia river, a tributary of the Yalu. Later, they extended their influence further nothwards. Under the leadership of Chumêng or Tsoumou, the Kaokulis had extended their rule in the first quarter of the 4th century as far south as the Daidoko or Taidong-gang river in northern Korea. They rose at a time to such power as few ancient tribes of Manchou ever did. Their civilisation, too, was by far above that of the others. Their kingdom came to an end in the Tang period (615–907 A.D.).

I-lous. This tribe sprang into prominence during the Han period. They lived over the area extending from Ninguta to Vladivostok. Physically, not unlike the Fuyus, their language was different to that of the Fuyus or the Kaokulis, according to San Kuo Chih. They were cave-dwellers. They lived on corn and clothed themselves in hemp and animal hides. They were one of the stone-age tribes, judging from the fact that they used poisoned stone arrow-heads; but they were not strangers to the plough, since it is also stated that they lived on "five sorts of corn and were possessed of hemp cloth."

Wei. The Han period finds a tribe known as Wei living in Manchou side by side with the Fuyus. They were later overcome by the latter tribe, with the result that they separated themselves in groups one of which migrated to Korea, while the others lost themselves amongst the other tribal inhabitants they later came in contact with.

Wuchis. Of this tribe of uncertain origin the Wei Shu, the history of the Wei dynasty or the House of Toba, says in part as follows: "The Wuchis live north of Kaokuli, where once the Suchens had lived. Each village is ruled by its own master. There is no unity among them. Bold and brave, they are the strongest of all the eastern barbarians. Their language is different from the others. . . . They live in fortified caves, shaped like a mound and opening above. Ladders are used for ascending and descending. Their land is without cattle, and the cart horses are used for ploughing. They have millet and wheat."

These people made an alcoholic drink by chewing rice. They generally decorated their heads with the tails of tigers and leopards.

Among the Japanese antiquaries it is generally held that this tribe lived around Shihtouchengtzu between Hsinking (Changchun) and Harbin.

Shihweis. This tribe rose to power contemporaneously with the Wuchis, of whom they were close northern neighbours. They were nomads at some season, while at other times they were engaged in agriculture and cattle breeding. They spoke a language not unlike that of the Khitans. Composed of five tribal groups, they rose to considerable power in the period of Sui and Tang. Legend has it that the later Mongols of historic fame sprang from this tribe.

Mujungs. A tribe probably of Sienpi origin. The early part of the Chin dynasty, or the fourth century A.D. found this growing tribe on the lower course of the Shiramuren which is the upper portion of the Liao river. Under the direction of successive able leaders, this tribe gradually rose to power. Mujungtsun, one of their chieftains, having captured Peking, declared himself Emperor of Yen and called his territory Ch'ien Yen. His capital was removed from Lungcheng to what is at present known as Chengteh. His territory extended chiefly over a northern part of China and a western part of Manchou, including the Liaotung peninsula. The dynasty of the Mujungs is generally called Ch'ien or former Yen in contrast to the dynasties of Later Yen, Western Yen, North and South Yen that followed in that order.

Mohos. The Moho tribe is of historical importance because of the kingdom of Pohai they founded and also because they figured as a chief civilising influence of the Far East in the Tang period. History first records the Mohos as composed of seven tribal groups of which the two groups of Sumo-moho and Heishui-Moho are most important. The former inhabited the region of Kirin along the Sungari, while the latter were on the lower course of the Amur. Ta Tsujung, the founder of Pohai, is generally thought of Kaokuli origin, but it seems equally true that his followers were mostly Sumo-mohos who had early come in contact with the civilisation of Tang through their sojourn in Yingchu and Yuchow. Pohai, until it was overthrown by the Khitans in 926 A.D. after two centuries' existence, materially assisted in introducing the civilisation of Tang into Manchuria and Japan, with the latter having diplomatic and other relations for many

years. When the Pohai kingdom came to an end, more than 100,000 Mohos found shelter in the Korean peninsula where they must have influenced in no mean measure the civilisation of the peninsular inhabitants.

Khitans. This tribe, undoubtedly closely related with the Mohos, are first found along the upper course of the Shiramuren. After unsuccessful struggle with the Turks in the west, the Khitans became tributary to the Sui dynasty. They were later divided into eight groups which in the tenth century A.D. were again united by an able chieftain named Yeh-lu A-pao-chi who later became Emperor T'ai-tsu of the Liao Kingdom. In developing his country, this emperor made free use of the cultural and industrial attainments of Cathay. Iron and salt deposits were exploited; and agriculture was encouraged under Chinese direction. Liao steadily grew until at the period of Sung (960–1127 A.D.) its territory embraced practically all of North China, bordering on Manchuria and Mongolia. When the Liao kingdom was overthrown by Kin in the first quarter of the twelfth century, it meant that the last of those of direct Sienpi origin had passed out of the history of the Far East.

Nurchens. The Nurchens, who have been called Manchus since their Ching dynasty was established over China in the 17th century, are the only tribal entity remaining from antiquity. They were erroneously confused with the Suchens by some Chinese historians. They originally lived on the upper reaches of the Sungari, not far from the headwaters of the Yalu and mount Changpaishan. They were known to Cathay of the Tang period. In 1115 a Nurchen chieftain named A-ku-ta declared himself the Emperor of the kingdom of Chin (Gold). In consequence of successful military adventures, he eventually annexed the Khitan kingdom in 1125. In the following year the Chin army occupied Pienching, the present Kaifeng in Honan province, the capital at the time of Sung. When the Chin kingdom was overthrown by the Mongols in 1234, the surviving Nurchens left China, returning to their original homeland in the north.

The Nurchens now made their abode around the region of Sansing or Han, on the right side of the Sungari. The Chienchou-Nurchens who are of the most historical importance among the three groups into which they had now divided themselves, later moved to the region of Kirin. These Nurchens were again divided into three section of Chienchou Guard, Chienchou Left Guard and Chienchou Right Guard. From the first named came Nurhachi, the founder of the Ching or Manchu dynasty. In 1616 he declared himself the emperor of the kingdom of Ta Chin and in 1636 his grandson occupied Peking to inaugurate the Manchu rule in China the regime which, though it saw the illustrious age of Chienlung, was by revolution brought to an end in 1911. The child emperor Hsüan T'ung abdicated. Fate disclosed to none at the time of how this child ruler was to become some two decades later the Emperor of the Manchou empire.

Of the Manchou population some estimate it at as many as 7,000,000 while others give something less than 1,000,000, the lowest estimate being around 600,000. From their physical characteristics the Japanese anthropologists differentiate them from those who are called by European scholars by the generic, and often misleading name of Tungus. The Manchou is regarded as a distinct type evolved from the ethnic stock that early made its abode around the foot of Mount Changpaishan. The Manchou is smaller of stature than the Chinese. He is also characterized by olive or light brown complexion, slightly prominent cheek bones, black hair and eyes, the shape of the eye resembling that of the Mongol type, beards and whiskers sparse and shaven except by old men. The women are smaller than the men, showing little difference from the Chinese women in point of stature. They have never practised footbinding, though in all other points they have completely become Chinese.

Races and Tribes of North Manchuria

Tunguses. Several tribes of pure Tungus origin are found in some northern parts of Manchuria. The name Tungus embraces a number of Orochon tribes which are often designated by the animals they breed or the characteristics of their habits, such as (1) Reindeer Orochons; (2) Horse Orochons; (3) Dog Orochons; (4) Steppe Orochons; (5) Forest Orochons. The Tunguses are indigenes of Siberia, who are in Manchoukuo more or less distributed through Kirin and Heilungkiang provinces. The more important of these tribes are described below.

(1) **Gold or Goldis.** Of all Tungus tribes this particular group most resembles the Mongol in external characteristics. They speak the same language as the Mongols. They are met with about Sanhsing, being the descendants of the Heishui Mohos. Because men's heads are clean shaved, the Chinese referred to them as "fish-skin pated" or "hairless" men. Their complexion is almost sickly pale. The face is long, the forehead low, the eyes narrowly slit, and the body of medium size. Their disposition is simple and peaceful, with artistic bent as is shown in their carvings.

(2) **Orochons.** They are mostly found on the upper and middle courses of the Amur and in the Hsingan mountains. Those who live in the former region, as their tribal name Orochon, "reindeer owner," indicates, train the wild reindeer both for mounts and pack animals. Hunting is their chief pursuit. Those who live in the Hsingan mountains raise horses instead of reindeer. Physically, they are small and lean. The head is broad, the features flat, the chin protruding, the nose small, the lips thick, while the eyes are either brown or dark and narrow, and the beards sparse.

(3) **Daours (Daurs).** This tribe is found in the region around Tsitsihar. It is one of the richest and by far the most cultured of all northern tribes. Those who are at present entrusted with local administration of the same region are mostly men of this tribe.

(4) **Solons.** This tribe, often erroneously described by some as cannibalistic, inhabits from the west of the Hsingan mountains to the river Hailar and its tributaries. It is hardly possible to distinguish this tribe from the Mongols. Known as good fighters from early days, the men of this tribe formed the backbone of the resistance offered to the invading Cossacks in the 17th century. They are characterized by tall stature, hardy frame, elongated head, deep black hair, round broad features, narrow eyes, flat nose, big mouth and thick lips. They are mostly nomadic.

Giliaks. This ancient tribe of which there is no more than 5,000 population represents, with the Ainus of Hokkaido, the oldest denizens of north Asia. Approximating the Tungus in many physical points, this tribe is distinguished by the black lank hair common to the men who are often hairy. Other physical characteristics are prominent cheek bones, small deep set eyes, flat nose, yellowish skin, broad head, and low stature. They live in caves in winter and in huts in summer.

Races and Tribes of Mongolia

The inhabitants or indigenes of Mongolia were, from an ethnologic point of view, unknown to China before the Chou dynasty (1122–255 B.C.), when they began to be described as northern barbarians.

Hsiungnu (Huns). This tribe was the first to come into the history of ancient Cathay. The period of Ch'in and Han, more than two centuries before the dawn of the Christian era, found this tribe as a powerful factor among the northwestern neighbours. They inhabited the present Inner and Outer Mongolia, later separating in northern and southern groups. The latter was at a time powerful enough to impose peace upon the Han dynasty. They later met with reverses at the hand of the Sienpis and Wuhuans, until eventually they broke up in small groups, fleeing westwards.

Tingling. This northern tribe of uncertain origin is described to have been a terror to the northern group of the Huns in the Later Han period (25–221 A.D.). In a historical account of the Chin period, the 4th century, a portion of this tribe is described to have penetrated as far south as Shansi. The theory held by some European antiquaries that this tribe was a pure indigene of Siberia is unsupported by fact.

The House of Toba. This tribal group, like the Mujung, is of Sienpi origin. In the last quarter of the 4th century it rose to prominence. Invading what is now known as modern Shansi after successful military campaigns against the Huns and Wuhuans, it set up in 386 the dynasty of Northern Wei. This dynasty eventually acquired control of all China north of the Yangtze, flourishing under a succession of able rulers. However, in 535 the kingdom was divided into Eastern Wei and Western Wei.

Juanjuan. This is a group originated from the Tunghu stock, being related with the Toba. It is said that Tai Wu Ti of the Wei dynasty, in contempt of the ignorance of this tribe, so called it, comparing it to crawling insects. This, however, appears doubtful in the light of what is written of the tribe in the Nan Chi (Southern History), where it is said that the men of this tribe wore brocade and other clothing of high craftsmanship. Their territory at a time extended "from the western frontier of Korea to the end of the Gobi desert." They were dispersed after disastrous struggle, first, with the above Wei emperor and, next at a later period, with Wen Ti of the Ch'i dynasty and, at the last, with the Turks.

Turks. The Hsiungnu, undoubtedly of mongrel stock, are also called Turks because, it is said, in their early days they held their stronghold for generations at a fortified hill called Chinshancheng which, because of its likeness to a helmet was called Dürkö, the origin of the name Turk. Living close to the northwestern frontier of China, they had developed into a powerful kingdom in the period of Sui and Tang. They made frequent incursions into China. The Emperor Wu Ti of the later Chou took a Hsiungnu woman for his consort. At the close of the Sui dynasty a number of Chinese are said to have joined the Turks. Later, this tribal kingdom was split into an eastern and a western group. Their final downfall came about in the 7th century when the Ouigours (Wigours), a tribal force of the same ethnic stock, became ascendent.

Tiehlo. This is another offshoot of the Hsiungnu tribe. Under this general tribal name existed a great number of divisions over areas extending to the east of Hsihai, mostly in the mountains. North of the river Loho about 20,000 of their soldiers had established themselves at the period of Sui. Farther west, as many of their soldiery were found close to Mount Paishan. They served under the eastern and western Turks. They were nomadic, fierce of nature, making predatory raiding their chief pursuit. They were good horsemen. Those who lived to the west are said to have been skilled in horticulture.

Mongols. The Mongols, in a broad sense, include those of pure Mongol origin, who are represented by the Khalkas, and those of mixed Mongoloid origin such as Kalmuks, Buriats and other Mongolian inhabitants of more or less allied ethnic stock. Some hold that the Mongol is of the same race as the Tartar, and some consider the latter as offspring of the former. All these, however, still remain disputed points.

Khalkas. The Khalkas comprise a number of related tribes such as **Kalmuks, Paerhhu (Barokh), Buriats, Ordos, Wulyianghai,** etc. Of these the first and third mentioned are best known. Those of pure Khalka origin are mostly found in eastern Mongolia, numbering about 250,000. The mighty Genghis Khan is said to have been offspring of this tribe. They are not tall of stature, but strongly built with broad shoulders, though the neck is rather small and short. Other external characteristics are black hair, broad flat features, prominent cheek bones, flat nose, pointed chin, sparse beard, oblique and dark brown eyes and yellow tan skin.

Kalmuks. This Mongol tribe is said to have originated in the Sungaria region. They call themselves ''Eleuths'' and ''Oelöd.'' They inhabit the southwestern region of Mongolia, Sungaria, and as far as the Tibetan frontier. In Russia, they are distributed over some southern areas and the regions of the Don and Volga. Modern anthropologists call them Western Mongols. Their present number is estimated at 500,000. In old times they were strong and warlike people, but they have scattered over wide areas through war and migration. They are generally characterized by a hardy frame, though medium of stature, round head, short limbs, narrow eyes of lifted outer angle and also eyes set widely apart, flat features, etc. Both males and females are good riders.

The Kalmuks also comprise a number of tribal sub-divisions such as **Sungars, Torgods, Khoshods,** etc.

Buriats. While the name Buriat is used to designate one of the great tribal divisions of Mongols, some scholars consider them as a part of the Khalkas, estimating their population anywhere between 120,000 and 250,000. Those who regard the Buriats as Siberian indigenes seem to have confounded them with Siberian Yakuts and Tunguses. This is, however, still a disputed point. They all live after the fashion of nomads, being distributed over Mongolia and Siberia, mostly clustering around the tundra and lake Baikal regions. In external characteristics they are, generally speaking, low of stature and short of limbs. Their skin is dark brown and the head round and big. They live in tents and clothe themselves in skin and fur. The women are decorative. They are industrious and thrifty, many of them being prosperous.

Ch'en Pa-erh-hu. What the Chinese call the Ch'en Pa-erh-hu (Old Barga) is a tribe resembling the Daur. Though few European scholars have noted this tribe, its tribesmen, according to the Chinese historians, constituted one of the eight banners from very early days. Of the Pa-ehr-hus, the older group was called **Ch'en Pa-erh-hu** and the new group **Hsin Pa-erh-hu** (New Barga). Because of their military occupation they in part settled on the frontier of Heilungkiang province and in part over areas extending from the Nonni to Holunbuir which is commonly called Barga. Both old and new groups live in nomadic fashion. The older tribesmen resemble the Solons in physical characteristics, but speak a different tongue. Men representing the new group who are now found in Outer Mongolia, originally lived on the northern slopes of the Hsingans. They were transferred southwards by the Manchou authorities at the beginning of the 19th century.

Wulyanghai. This tribe is said to have been the origin of the Khorchins. It was undoubtedly first found in east Mongolia. The first emperor of Ming, according to Chinese history, receiving their homage, organized them as an outer guard force and stationed them at Ulyangha. Geographically, they are allied with the Olot tribe, but generally described by the Chinese as a separate tribal group.

CHAPTER IV

STATE FOUNDATION

I. The Spirit of Foundation

The spirit underlying the foundation of Manchoukuo, or the "spirit of national foundation" is elucidated by Yu Chung-han, one of the founders of the present state of Manchoukuo, and a director of the Autonomy Guidance Headquarters, which was established in Mukden on November 10, 1931. The manifesto issued in his name reads as follows:

> We aspire to found an earthly paradise under the sun by doing away with despotism, misunderstandings, illusions and complications. Regardless of nationality, it is our aim to influence the inhabitants of this land so that they may display their inherent spirit of mercy, and by observance of faith, by mutual respect and mutual love, complete the divine task mentioned above. Thus will so-called Asiatic unrest be transformed into the light of the Orient to kindle the whole world and serve as a good augury for the great and true harmony of entire mankind. The devotion of every effort towards the formation of an ideal land hitherto unknown in history will in time serve to bring about the development of Asia as a whole, rectify racial discrimination and lead towards the establishment of a world justice which will be universally applicable.

The administrative policy of the new State was expressed in the following words:

> The elimination of remnant members of the tyrannical government (of the Chang militarist clique), the abolition of bad taxes, the doing away of bad customs and manners, the development of industry and communications and the promotion of religion and education—these shall be one and all carried out in a fair and just manner.

On February 16, 1932 the State Foundation Conference was opened in Mukden for three days, with such representative leaders of the people as Chang Ching-hue, Tsang Shih-i and Hsi Chai in attendance. Here the principle relating to the foundation of the new State was decided and the administrative Committee of the Northeastern Provinces was organized. On the 25th, February the same Committee announced the Organic Law Governing the

Formation of the New State. This was followed on March 1 by the issuance, in the name of the Government of Manchoukuo, of the Proclamation of the Establishment of Manchoukuo, in which the spirit underlying the foundation of the new State and its administrative principles were set forth. An excerpt from one passage in this Declaration reads:

> We believe that statecraft should be founded upon the principle of Tao or the Way and Tao should be of Tien or Heaven. The principle on which this new State is founded is obedience to the Way of Tien (Heaven) for the peace and security of the people. Government must conform to the real will of the people and no personal views should be permitted to prevail in the affairs of the State.
>
> There shall be no discrimination, with respect either to race or creed, among those people who now reside within the territory of the new State. . . . Thus it is designed to give enlightenment to the people who live within the State and maintain the honour of perpetuating the peace of Eastern Asia, thus setting a model example of good government to the world.

The spirit of national foundation is not a mere theory, but something which the nation itself should experience and put into practice. In all affairs of government there is none in which this spirit is not embodied. The system of centralized power which our country has adopted, is based upon the same spirit. It is a system that is indispensable for the uprooting of the evil of the past warlordism and for the building of a modern State. The reform of the administrative structure in 1937 was designed to achieve greater results from the application of the spirit of national foundation to statecraft.

Harmony and cooperation among the races, which constitutes one of the basic elements of the spirit of national foundation, is apt to be taken by the public as the indiscrimnate mixing of the different races into one. The truth is that each race is recognized as a specific racial entity, and allowed a certain degree of autonomy, so that a form of government suited to each separate race may be possible and the members of any race may live in security. That each race comprises a unitary component of the Manchoukuo nation is clear from the fact that the Manchoukuo officials of Japanese blood, for example, are participating in the government of the country as responsible officials of the State, in both name and fact. None of them takes the attitude that they are assisting the Manchoukuo Government in the relationship of employer and employee.

Far Eastern peace constitutes the basis of the spirit of national foundation. This fact becomes manifest when Manchoukuo's government and diplomacy are studied. The same spirit may be found pervading all other affairs of the new State. The spirit underlying the foundation of Manchoukuo is indeed so magnificent and profound that the new nation may well feel proud of it before the whole world. The ideals for which Manchoukuo was founded, moreover, are being realized one by one, thanks to the unstinted assistance of its friendly neighbour, Japan, and to the unity and cooperation of its officials and citizens. The Powers which have refused to recognize Manchoukuo are today beginning to rectify their mistaken conception of the new State.

2. Manchoukuo-Japan Relation

The special relationship obtaining between Manchoukuo and Japan constitutes their mutual lifeline. The two nations are not bound by mere considerations of interests: nor are their relations so weak and fragile as to be shattered by the impairment of either of the nations. In the words of H.I.M. the Emperor of Manchoukuo:

> Even if their respective interests are conflicting, Manchoukuo and Japan will continue to cooperate with each other.

Again, upon His Majesty's return from a visit to Japan in April 1935, an Imperial Rescript was issued on May 2 in which the indivisible relationship of the two countries was described as follows:

IMPERIAL RESCRIPT

(Promulgated May 2, Second Year of Kangte (1935)

(Unofficial Translation)

Ever since Our accession to the Throne, We had earnestly hoped to realize Our long cherished desire to pay a visit in person to the Imperial Family of Japan in order that the amicable relations existing between the two nations may be enhanced to their mutual rejoicing. This fond wish was finally fulfilled by Our recent visit to the Japanese Empire where We were received by the Imperial Family with the utmost kindness and cordiality, which reception, in every way, was unexcelled in its warmth and graciousness. We were also greeted and bidden farewell with enthusiasm and sincerity by His Imperial Japanese Majesty's subjects who spared nothing to accord us their highest respect and esteem. All this has moved Us deeply and created upon Our mind an impression that We shall never forget. Since its establishment Our State, replying upon the righteous assistance of Our friendly neighbour, has succeeded in consolidating a broad foundation for itself. On Our recent visit we were indeed fortunate to have been able to express personally to the Imperial Japanese Family Our heartfelt gratitude in appreciation of that assistance. Moreover, through careful observations on that same occasion We were able to ascertain that government in the Japanese Empire is based on benevolence and love: that education places primary importance on loyalty and filial piety: that the subjects revere their Sovereign and respect their elders and superiors as they do Heaven and Earth: and that there is none who does not offer himself loyally and courageously to the State and sincerely strive for the good of the country. The people, as a consequence, are able to enjoy internal peace and security, to be free from all foreign complications, to create faith in themselves, and to be benevolent towards their neighbours, thus perpetuating the Imperial lineage unbroken for all ages. Coming in contact personally with the governing and the governed in that country, We also learned that the people, one and all, are wholeheartedly united together in one spirit, with same virtues and unchanging mutual trust.

H.I.M. the Emperor of Japan and We are as one in spirit. Therefore, ye, Our subjects, bear this always in mind, and with the same virtues and in the same spirit, cooperate with Our friendly neighbour in establishing an everlasting foundation for the two countries, and exalt the true virtues of the East. Thus will the peace of the world and the welfare of mankind be promoted.

Ye, Our subjects, respect and heed Our Rescript forever and ever.

Imperial Sign Manual and Imperial Seal
Countersigned by the Prime Minister
and the Minister of the Imperial
Household

Second Day of May, 1935
Second Year of Kangte

This indivisible relationship between Japan and Manchoukuo has for its object the advancement of the welfare of humanity and for its basis, the great mission of enhancing throughout the world the true principles of Oriental morality. The two nations are truly as one in virtue and spirit. Therein lies the moral significance of Japan-Manchoukuo collaboration.

It is only from such a viewpoint as mentioned above that the significance of Japanese assistance of Manchoukuo can be fully appreciated. Japan, true to her mission of aiding Manchoukuo, withdrew from the League of Nations to ensure Manchoukuo's sound development. The Rescript issued by H.I.M. the Emperor of Japan upon that Empire's secession from the League of Nations expresses the convictions of the Government and people of that country when it left the League. The Rescript in question contained these words:

> In connection with the rise of the new State of Manchoukuo, the Japanese Empire regards respect of its independence and the encouragement of its sound development as the basis for the removal of the root of Far Eastern trouble and for the preservation of peace.

Upon his accession to the Throne, H.I.M. the Emperor of Manchoukuo also proclaimed in a Rescript:

> Far-sighted plans for the defence of the country and long-range policies for the government of the land should always aim at collaboration, perfect accord and perpetual strength of relations with Japan.

Japan and Manchoukuo are destined to share the same fate and to travel together along a common path. The strengthening and expansion of this special relationship between the two allied nations contributes to the promotion of the welfare of mankind. This fact is borne out by the beneficial effects of the retrocession of Japanese extraterritorial privileges upon the government diplomacy and other activities of Manchoukuo. Japan and Manchoukuo, more strongly bound together than ever before, are today courageously striving toward their common goal of consolidating East Asiatic peace.

3. Racial Harmony and Cooperation

~~Manchuria has been in the past called the melting pot of races.~~ In the past 3,000 years it has witnessed the rise and decline of numerous races. But the people now inhabiting the country consist mainly of members of the Han race who migrated to Manchuria from China Proper in comparatively recent times. Though these Hans or Chinese are not the aboriginal people of Manchuria, they have deemed themselves the absolute masters of Manchuria, and conducted themselves accordingly. It is this overbearing attitude which served as one of the chief causes of the social unrest and disorder in Manchuria, in the past. In view of this deplorable fact, the new State of Manchoukuo upon its foundation proclaimed racial harmony and cooperation as one of its guiding principles. In the Proclamation of the Establishment of Manchoukuo the following passage appears:

> There shall be no discrimination with respect to either race or creed among those people who now reside within the territory of the new State, including the races of the Hans, Manchus, Mongols, Japanese and Chosenese: nationals of other countries as well may upon application acquire as permanent residents equal treatment with others and their rights shall be guaranteed thereby.

H.I.M. the Emperor of Manchoukuo upon his enthronement also proclaimed in an Imperial Rescript issued on March 1, 1934 the following:

> The general outline of administrative policies and the engagements already entered into shall remain unchanged. Although the population of this State consists of peoples of divers races, from now on it is imperative that there be sincerity towards, and trust in, one another and they have common interests.

In accordance with this spirit the 30,000,000 people of Manchoukuo, united as one, and with full trust in one another are today wholeheartedly cooperating in the task of completing the establishment of a Wangtao State.

SOLEMNIZATION OF THE FOUNDATION OF THE EMPIRE OF MANCHOUKUO

An event of outstanding importance in the national history of the Empire of Manchoukuo followed the visit to Japan of His Majesty the Emperor of Manchoukuo in June, 1940. The Imperial visitor, who bore with him message of felicitation on the twenty-sixth centenary of the neighbor Empire's foundation, also paid, as part of his state program, his respects to the Grand Shrine of Ise, the Meiji Shrine, and Imperial mausolea, where the earliest memories of Japanese history are treasured in supreme honour and sanctity of national worship. In presence of these marks of history which bear testimony to the spirit of the foundation of the Japanese Empire His Majesty the Emperor of Manchoukuo came upon the light of racial history and achievement which should be a guide for the youthful state over which his domain extends. Moved also by a deep sense of gratitude for the benevolence which had graced his reign, His Majesty offered deep reverence to the First Deity in whose worship the minds of the Japanese people are united. In the same happy hour Mis Majesty sought the blessing of the same Deity upon the nation over whom he ruled. It was resolved that his people should, under the protection of the Great Deity, pursue their duties and work for the development of their destiny. And it was believed that in the same spirit of purity and humbleness they should lay the foundation for the Empire of Manchoukuo.

In accordance with this Imperial wish, plans were submitted to the State Council in June, 1940, for establishment of a shrine as a mark of solemnization of the foundation of the Empire of Manchoukuo and a set of punitive provisions for the maintenance of sanctity in administration of the same religious practice. These plans and rules were approved by the Council, ratified by the Privy Council on July 12, and promulgated on July 15 as effective from the same date.

Concomittantly, His Majesty the Emperor of Manchoukuo in person dedicated in the inner court of the Imperial Palace at Hsinking a shrine to solemnize the Empire's foundation, with special rituals for the invocation of the First Deity of the Japanese nation who was enshrined there on the same occasion. On the same day, July 15, in presence of a large assemblage of civil and military officers, His Majesty the Emperor issued as given below, an Imperial edict on establishment of the fundamental principle of national policy and state religion.

The Imperial Edict

(Unofficial Translation)

We, in solemnity of Our spirit, animated by the desire of laying down for all time the foundation of Our country and setting up the cardinal line of its national policy hereby address you, Our subject. Our country, since the day of its foundation, has grown firmer in its basis and the fortune with which it has been favored daily arises with increasing force. When the source of this welfare and fortune of this country is traced, and the achievement of its people is viewed, in the light of grateful appreciation, Our acknowledgement is due for every part thereof to the blessing and protection of the Great Deity and to the support and help of His Majesty the Emperor of Japan. Therefore, We in person have been to visit the Imperial Household of Japan to tender Our thanks for its graciousness, by which Our mind is moved with a deeper sense of gratitude as never before. It is the desire of Our heart that you all with singleness of mind should follow the one rule of virtue.

We in person journeyed to the east and reverently offered Our felicitations on the twenty-sixth centenary anniversary of Our allied Empire and also paid Our respects to the Grand Shrine of that Empire. Taking occasion of Our happy return home, We wish to dedicate this shrine to the solemnization of Our Empire's foundation and to enshrine therein the Great Deity. In the highest solemnity of Our spirit We wish to tender Our reverence thereto and pray for the welfare of Our nation. The ceremony observed on this occasion shall be set for all time to come and Our descendants, for all eternity, shall perpetuate it without end. It is the desire of Our heart that in accord with the fundamental principle of Our state, you will sanctify your faith in the Deity who is the embodiment of national policy, you will extend and heighten your effort in loyalty to the throne and in filial piety which form the cardinal canon of Our country; and you will attain security in benevolent society of love and harmony, for the achievement of that light of purity and brightness which should pervade the whole world, and may heavenly blessing and protection be upon you.

Be it known that you, in accordance with Our desire, will give firmness and force to the cardinal principle of Our country and by your untiring effort will ceaselessly continue to develop your self-strength and thereby meet Our wishes.

The Imperial Sign Manual and Imperial Seal.
July 15th, the 7th year of Kangte (1940)
The Prime Minister of State.
The Minister of the Imperial Household.

CHAPTER V

STATE ADMINISTRATION

INTRODUCTION

From the beginning of its career, Manchoukuo has been a State sui generis, with a two-fold organization. One part of the structure is the Government organized by positive law, for the main purpose of discharging the authoritarian functions of the State, and the other is the Concordia Association, which is not a creation of positive law, but one whose object is to fulfil the non-authoritarian functions of the State to realize the ideals for which the new State was founded. These are two component parts or two complementary sides of one State structure, neither being in opposition or subordination to the other.

The Organic Law promulgated soon after the inauguration of Manchoukuo, or under date of March 9, 1932, was a law of constitutional nature, establishing the fundamental structure of the government of Manchoukuo.

According to the provisions of that Organic Law, the Chief Executive assuming office on the acclamation of the people was the head of the State, governing and representing it. He was vested with the authority to exercise the legislative power with the consent of the Legislative Council, the executive power by supervising the State Council, and the judicial power through the courts of Law, while he was responsible to the people for all functions of government. Besides the Legislative Council, the State Council and the Courts of Law, several State organs were provided: the Chief Executive's Office to manage non-administrative matters, that is, personal affairs of the Chief Executive; the Privy Council to tender opinions on important matters of State, when consulted by the Chief Executive; and the Supervisory Council to control and investigate the unlawful acts or unwarrantable decisions of administrative authorities, delinquencies of officials and irregularities in financial accounts. In this manner, the Or-

ganic Law of 1932 introduced the division of powers under the regime of the Chief Executive, and at the same time a systematic, centralized reorganization of the administrative organs of various grades swept away the remnants of the despotic government of the warlords.

The Organic Law of 1932 continued in force until March 1, 1934, when Manchoukuo inaugurated an Imperial regime and the Chief Executive ascended the Throne as the first Emperor of Manchoukuo. Simultaneously with his accession to the Throne, he abolished the old Organic Law and granted a new one, establishing a fundamental organization of government under the Imperial regime.

In the government scheme under the present arrangement, the Emperor reigns, as the head of the State and exercises the three powers of legislation, justice, and execution, in conformity with the provisions of the Organic Law and the Law Guaranteeing the Rights of the People. In the exercise of these powers, he does not act by himself. He exercises, that is to say, the legislative power with the consent of the Legislative Council, the judicial power through the Courts of Law, and in respect of matters relating to civil administration, the command of the armed forces, and the Imperial Household, he requires the assistance of the Prime Minister, the Minister of Public Peace, or the Minister of the Imperial Household. In regard to the matters specially provided for in the Organic Law, he consults the Privy Council or the Military Council, after which he gives personal decision on the more important of them, and as for the rest, he causes his administrative organs from the State Council downwards to dispose of them. From the legal standpoint, the Emperor is the source of all authority, but in the actual organization of government, powers are distributed among such State organs as the Legislative Council, the Courts of Law and the State Council, so that the principle of the division of powers is embodied in the governmental structure. (As will be discussed later, the Legislative Council has not yet been established. For the present, therefore, the Emperor, by virtue of Article 36 of the Organic Law, issues ordinances in place of laws. To that extent, the division of powers is not yet carried out.) The governmental structure of Manchokuo is as follows:

Life Sketch of His Majesty, the Emperor of Manchoukuo

His Majesty, Pu Yi, Emperor of the Manchoukuo Empire, was born on February 6, 1906 at Peking, China. On November 14, 1908 he was proclaimed Emperor of China upon the demise of his uncle, Emperor Kwan Hsu. The infant Emperor, twelfth in the line of the Ching dynasty, had been on the throne only a few years when a revolution broke out in China, causing his abdication on February 12, 1912. The Manchu dynasty thus came to an end after ruling over China for 267 years. An attempt was made to restore the Emperor to the throne by General Chang Hsun in July, 1917 but failed.

In October, 1924 he was forced to give up his palace at Peking by General Feng Yu-hsiang (the "Christian General") and through Sir Reginald Johnston, his British tutor, sought refuge in the German Hospital in the Legation Quarter, from whence he later found haven in the Japanese Legation. Some three months later the Emperor moved to Tientsin and took up his residence in the Japanese Concession, where he lived until the outbreak of the Manchurian Incident in September, 1931.

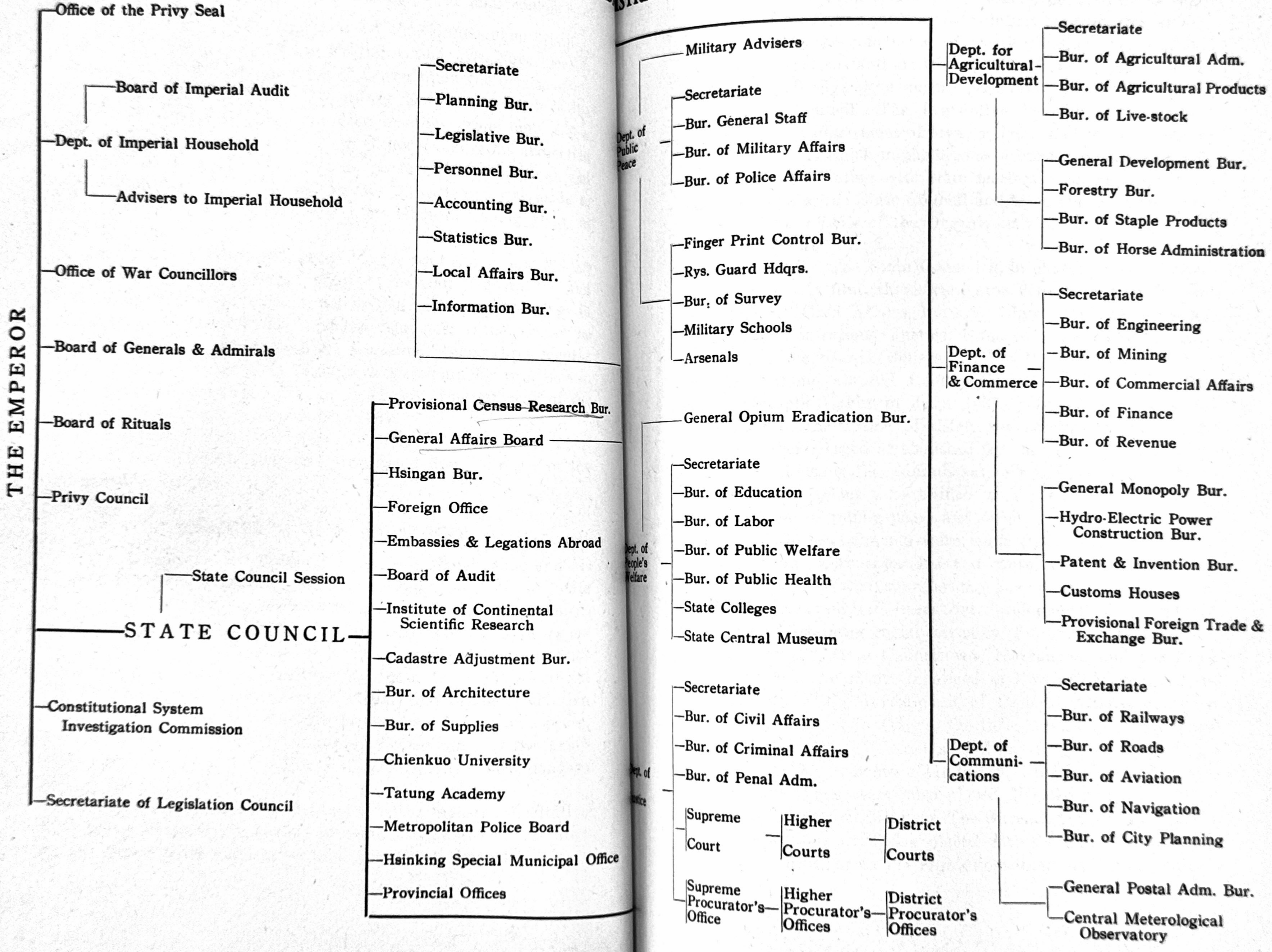
On March 1, 1932 he became the Chief Executive of Manchoukuo and in March, 1934 was proclaimed first Emperor of the Manchoukuo Empire.

THE CENTRAL GOVERNMENT

The Emperor. The Emperor rules over Manchoukuo and his dignity cannot be impaired. As the sovereign head of the State he exercises control over administrative powers of the Government in accordance with the Organic Law of Manchoukuo, exercises executive, judiciary and legislative powers, has the right to promulgate laws, orders and emergency ordinances, the right of official organization, of the appointment of officials and the determination of salaries of officials, and the right to declare war, conclude peace, and contract treaties. He is the supreme commander of the Army and Navy, and enjoys the rights to grant decorations, honours and amnesty.

Privy Council. The Privy Council is the highest consultative body to the Emperor. This body presents its views when consulted by the Emperor on matters pertaining to laws, Imperial House-

DIAGRAMMATIC CHART OF THE AD ISTRATIVE SYSTEM OF MANCHOUKUO


THE EMPEROR
Office of the Privy Seal
Board of Imperial Audit
Dept. of Imperial Household
Advisers to Imperial Household
Office of War Councillors
Board of Generals & Admirals
Board of Rituals
Privy Council
State Council Session
STATE COUNCIL
Constitutional System Investigation Commission
Secretariate of Legislation Council
Secretariate
Planning Bur.
Legislative Bur.
Personnel Bur.
Accounting Bur.
Statistics Bur.
Local Affairs Bur.
Information Bur.
Provisional Census Research Bur.
General Affairs Board
Hsingan Bur.
Foreign Office
Embassies & Legations Abroad
Board of Audit
Institute of Continental Scientific Research
Cadastre Adjustment Bur.
Bur. of Architecture
Bur. of Supplies
Chienkuo University
Tatung Academy
Metropolitan Police Board
Hsinking Special Municipal Office
Provincial Offices
Military Advisers
Dept. of Public Peace
Secretariate
Bur. General Staff
Bur. of Military Affairs
Bur. of Police Affairs
Finger Print Control Bur.
Rys. Guard Hdqrs.
Bur. of Survey
Military Schools
Arsenals
General Opium Eradication Bur.
Dept. of People's Welfare
Secretariate
Bur. of Education
Bur. of Labor
Bur. of Public Welfare
Bur. of Public Health
State Colleges
State Central Museum
Dept. of
Secretariate
Bur. of Civil Affairs
Bur. of Criminal Affairs
Bur. of Penal Adm.
Supreme Court
Higher Courts
District Courts
Supreme Procurator's Office
Higher Procurator's Offices
District Procurator's Offices
Dept. for Agricultural Development
Secretariate
Bur. of Agricultural Adm.
Bur. of Agricultural Products
Bur. of Live-stock
General Development Bur.
Forestry Bur.
Bur. of Staple Products
Bur. of Horse Administration
Dept. of Finance & Commerce
Secretariate
Bur. of Engineering
Bur. of Mining
Bur. of Commercial Affairs
Bur. of Finance
Bur. of Revenue
General Monopoly Bur.
Hydro-Electric Power Construction Bur.
Patent & Invention Bur.
Customs Houses
Provisional Foreign Trade & Exchange Bur.
Dept. of Communications
Secretariate
Bur. of Railways
Bur. of Roads
Bur. of Aviation
Bur. of Navigation
Bur. of City Planning
General Postal Adm. Bur.
Central Meterological Observatory

hold ordinances, imperial ordinances, budgets, the making of contracts other than appropriations which might be a burden on the national treasury, the conclusion of treaties and agreements, the issuance of declarations and statements to be made in the name of the Emperor to foreign governments, and other state affairs.

Legislative Council. The Legislative Council is an organ charged with the endorsement of laws, budgets, and contracts other than appropriations which might become a burden on the national treasury, while in dealing with state matters, it is empowered to submit proposals to the State Council and to accept petitions from the people. Ten articles of the Organic Law of Manchoukuo deal with the Legislative Council.

State Council. The State Council is in charge of all administrative affairs. At first, there were nine departments under the Prime Minister (Civil Affairs, Foreign Affairs, Defence, Finance, Industry, Communications, Justice, Education, and Mongolia Administration), one board (General Affairs Board), and four bureaus (Decorations, Capital Construction, State Highways, Repairs and Supplies), but in July, 1937, political administration was centered in the Prime Minister, the administrative departments were either merged or abolished for the purpose of simplifying and consolidating the administrative structure, the military and police organizations were unified with a view to accelerating the consolidation of public peace and order, relations between the central and local governments were made closer, the functions of local governments were expanded and consolidated, evils of standardization were removed, and for the purpose of facilitating the execution of economic and industrial development plans and for the purpose of attaining racial harmony, the organization of each department of the State Council was rearranged, and the three bureaus, the Foreign, Home (changed to Bureau of Local Affairs and placed under the jurisdiction of General Affairs Board in July 1939) and Hsingan Offices, the three administrative departments of Public Peace, People's Welfare and Justice, and the three economic departments of Industry, Finance and Commerce and Communications were also placed directly under the direct supervision of the Prime Minister. The Bureau of Audit and the Bureau of Decorations were also placed directly under State Council. It is provided for in the regulations that the Prime Minister assist the Emperor in state affairs. For the purpose of unifying liaison concerning administrative matters, the system of State Council meetings was inaugurated by virtue of a State Council Order. The General Affairs Board is also directly under the State Council, and is entrusted with the management of important affairs, the drafting of guiding policies relating to the functions of each department or bureau, and with the maintenance of contact in general.

Moreover, the Institute of Scientific Research the Tatung Academy and the Chienkuo (National) University have been established for the purpose of conducting scienitfic research and for training men to become leaders in the construction of Manchoukuo, respectively. Furthermore, the Cadastre Adjustment Bureau has been formed for the purpose of establishing land registers, and the Bureau of Supplies and ,Repairs (divided into three bureaus namely, Supplies, Construction and Printing as of January 1, 1940), for repairing buildings, the expenses of which are met by the national treasury, for managing affairs related to the supplies fund special accounts, and for printing official bulletins, postal stamps, certificates, and the like.

DECORATIONS

The regulation concerning Court Decorations was instituted on March 1, 1934 with the promulgation of the Act Governing Court Decorations. An ordinance was simultaneously issued with regard to the classification of court rank and court decoration. With the promulgation of the act the following decorations were created: Collar of the Grand Order of the Lanhua, Grand Cordon of the Lanhua, Order of Lungkuang, and Order of Ching-yun. On September 14, 1936 a further addition was made with the creation of the Order of Chukuo. To uphold the inherent virtues of these orders no monetary income is attached to any of the decorations.

Decorations granted by the Imperial Court of Manchoukuo are divided into five classifications as follows:

(1) Ta-hsun-wei-lan-hua-chang-king-shin (the Collar of the Grand Order of the Lanhua), grantable only to holders of the Grand Order of Merit.

(2) Ta-hsun-wei-lan-hua-ta-shou-chang (the Grand Cordon of the Lanhua), grantable to those with or to be conferred the Grand Order of Merit.

(3) Lung-kung-ta-shou-chang (the Order of Lungkuang), grantable only to those who are to be conferred or who have been conferred the First Order of Merit.

(4) Ching-yun-chang (the Order of Ching-yun), grantable to those who are to be conferred any of the decorations from the First to the Eighth Order of Merit, excepting those who are to be presented with the order of Chukuo.

(5) Chukuo-chang (the Order of Chukuo) grantable to those who are to be conferred any of the decorations from the First to the Eighth Order of Merit excepting those who are to be conferred with the order of Ching-yun.

There are three grades of medals in Manchoukuo which are classified as follows;

(1) Chienkuo Merits Medal, created by the regulation of March 1st, 1933, and granted to those who have tendered service for the Foundation of State.

(2) State Ceremony Commemoration Medal, granted in memory of the Imperial Coronation, of March 1st, 1934.

(3) Imperial Visit to Japan Medal, Granted in order to commemorate H.I.M. the Emperor's visit to Japan, September 21, 1935.

Table 1. NO. OF DECORATIONS GRANTED CLASSIFIED

(May, 1934–July 1940)

	Manchoukuoans	Japanese	Italians	Germans	Representatives of Holy See	Total incl. Others
Collar of Lanhua ..	—	—	—	—	—	—
Lanhua	1	1	1	—	—	3
1st Order of Merit:						
Lungkuang	8	24	—	—	—	33
Chingyun-chang ...	80	23	4	—	3	110
Chukuo-chang	30	10	6	—	—	47
2nd Order of Merit:						
Chingyun-chang ...	144	42	—	—	1	187
Chukuo-chang	60	23	10	1	2	97
3rd Order of Merit:						
Chingyun-chang ...	196	503	2	—	—	701
Chukuo-chang	188	63	7	1	—	260

(Continued)

	Manchoukuoans	Japanese	Italians	Germans	Representatives of Holy See	Total incl. Others
4th Order of Merit:						
Chingyun-chang ...	636	1,179	5	—	—	1,820
Chukuo-chang	577	75	5	—	—	657
5th Order of Merit:						
Chingyun-chang ...	2,328	1,118	1	—	—	3,447
Chukuo-chang	1,731	42	4	—	—	1,777
6th Order of Merit:						
Chingyun-chang ...	5,255	1,001	1	—	—	6,257
Chukuo-chang	2,711	17	—	—	—	2,728
7th Order of Merit:						
Chingyun-chang ...	5,865	2,464	—	—	—	8,329
Chukuo-chang	9,505	19	—	—	—	9,524
8th Order of Merit:						
Chingyun-chang ...	28,717	4,989	—	—	—	33,706
Chukuo-chang	24,464	—	—	—	—	24,464
Total	82,496	11,593	46	2	6	94,147

Table 2. SCALE OF SALARY OF CIVIL OFFICIALS

(Unit: Yuan)

Te-jen:—	Salary
Prime Minister	1,800
Chairman, Privy Council	1,500
Privy Councillor	1,300
State Minister	
Dir.-Gen., General Affairs Board	
President, Bureau of Foreign Affairs	
Ambassador—Extraordinary & Plenipotentiary	
President, Hsingan Bureau	
President, National University	
President, Tatung Academy	1,100
Supreme Court Chief	
Procurator, Chief	
Provincial Chief	
Vice-Pres. National University	
Pres. Continental Scientific Research	

(As revised in Nov. 1940)

***Chien-jen:—**	Salary
1st class	800
2nd ,,	750
3rd ,,	700
4th ,,	650
5th ,,	600
6th ,,	550
7th ,,	500

Chien-jen:—	Salary
1–20 class	520–115
Wei-jen:—	
A. 1–35 class	250– 32
B. 1–32 ,,	95– 13

Note: * Though pronounced alike as the rank which it follows, the characters which identify them are different.

Table 3. NO. OF CIVIL OFFICIALS

(as in January 1940)

Te-jen	16	Chien-jen	5,668
*Chien-jen	335	Wei-jen	169,403

LOCAL ADMINISTRATIVE UNITS

The Provincial Government. The Provincial Government is the organ that administers affairs of the province, the highest local administrative unit in the state. There are at present 18 provinces whose governments were improved and are functioning under the Organization Law of the Provincial Governments, promulgated in December, 1937, and the two separate laws concerning the organization of the Heiho Provincial Government and the Hsingan Provincial Governments, the latter being enacted in September, 1935.

The Provincial Governor enforces laws and orders, and has charge of administrative affairs of the province under supervision and direction of the Prime Minister and of the State Ministers concerned in matters coming under their jurisdiction. He also exercises supervision and direction over all provincial officials, mayors, hsien magistrates, banner chiefs, and police heads within the province, is authorized to issue provincial decrees in connection with administrative affairs of his province, and is entitled to request the dispatch of troops for the purpose of maintaining public peace and order within the province.

The Provincial Government consists of the Secretariat, and the Public Welfare, Police Affairs, Industry, and Public Works Boards. In regions where there is little or no need for the Industry and Public Works Boards, either or both of these boards may be omitted, with a view to especially avoiding undue formality in organization. There is no Public Works Board in Lungkiang, Jehol, Chinchou, Antung, Chientao and Sankiang provinces, while Tunghua and Mutankiang provinces lack both the Industry and Public Works Boards. Moreover, the vice-governor system and the provincial counsellor system were inaugurated in December, 1937, and liaison conferences on important provincial affairs are held from time to time.

The Heiho Provincial Government. At first Heiho Province was administered under the Organization Law of the Provinces just as other provinces were, but owing to its exceedingly small population and its special geographical position, a special Heiho provincial administrative system has been introduced. The regulations regarding the division of the Heiho Provincial Government differ from those of ordinary provinces firstly in that there is no secretariat, or public welfare or other boards, the Government being composed of General Affairs, Public Welfare, and Police Affairs Sections; and secondly, in that the hsien offices of Heiho Province are not separate juridical persons but are attached directly to the Provincial Government.

The Hsingan Provincial Governments. Since conditions in the Hsingan Provinces differed greatly from those of other provinces, the Organization Law of the Hsingan Provincial Governments was promulgated in September, 1935. As the result of a number of revisions carried out since then, the administrative system now in force was promulgated in December, 1937. The provincial governors enforce laws and orders, and take charge of administrative affairs of the provinces, as in other provinces under supervision and direction of the Prime Minister and of the State Ministers concerned in matters coming under their jurisdiction. There is, however, no vice-governor system, only the counsellor system being adopted, through which the regeneration of the Mongol race is being achieved. There is a Secretariat, and Public Welfare and Police Affairs Boards in each Tsingan Province.

The Special Municipality. In accordance with the promulgation in July, 1933, of the Special Municipality System, Hsinking and Harbin were placed under this system, but as a result of the administrative reform of July, 1937, only Hsinking became a special municipality. The special municipality, which is a juridical person, conducts administration within its jurisdiction, and is authorized to impose taxes upon the municipal population. The Mayor of this self-governing organization is under supervision of the Prime Minister.

The Municipality. The municipality is also a juridical person but under supervision of the provincial governor. The municipal system is now enforced in fourteen cities, namely, Harbin, Mukden, Kirin, Tsitsihar, Mutankiang, Chinchou, Chiamussu, Antung, Fushun, Yingkou, Anshan, Ssupingkai, Liaoyang and Tiehling.

The Hsien (district). The hsien is the fundamental local administrative unit in Manchoukuo. It is both government administered and self-governing. The hsien in the past had lacked the functions of a self-governing body, but ever since the foundation of Manchoukuo the Government has striven to reform and consolidate the hsien system. A number of revisions were carried out following the promulgation of the hsien administrative system in July, 1932, while a general reorganization was effected in December, 1937. There were 163 hsien throughout the country in November, 1938.

Immediately following the outbreak of the Manchurian Incident, or in November of the year preceding the foundation of the State, the Autonomy Guidance Headquarters dispatched a number of directing officials to twenty odd hsien in Fengtien Province for the purpose of restoring peace and order, and for the establishment of local autonomy. Administrative organs in the form of committees were established, and together with the formation of the Fengtien Provincial Government in December of the following year, the Provisional Hsien Office Law was enacted in January of the next year, but as Kirin and Heilungkiang Provinces still retained the old system of hsien organization, Decree No. 54 regarding the organization of hsien was promulgated in July, 1932, together with Decree No. 55 on the hsien self-government system. Furthermore, in accordance with the provisions of a Department of Civil Affairs order issued in August, 1933, by a provisional reorganization of the hsien, councillors, directing officials and auditors were distributed among the hsien and each hsien office was instructed to revise its organization; the hsien office and various bureaus which were hitherto in conflict with the former were unified and amalgmated with the hsien office. The execution of functions was, moreover, rationalized, the budget and accounting systems were inaugurated, the contract system which was the root of all corruption under the former regime, was abolished, and sound and honest hsien finance was introduced. In this manner, the hsien system underwent a complete change.

However, as conditions differed in each hsien, which required adjustment conforming to the standard and ability of the local inhabitants, and owing to changes introduced by the abolition of extraterritoriality by Japan, the Government found it necessary to carry out another sweeping reform of hsien organization. In June 1937 the Government accordingly announced the principles of the projected hsien reform, which was on the whole completed in December of the same year.

The principal revisions were:

1. **Area of hsien.** In view of the establishment of new municipalities, or changes in the areas of old municipalities and other special local conditions, certain hsien were abolished or their boundaries revised. Hsinlung-hsien (Jehol Province) and Sunwu-hsien (Heiho Province) were newly established, and Yingkou-hsien (Fengtien Province) was abolished, while a few changes were made in hsien and provincial boundaries.

2. **Functions of hsien.** The hsien is administered by the Government as an administrative unit of the country, and is in principle, a public juridical person (all hsien of Heiho Province are not). However, they are not entitled to have consultative organs.

3. **Organization of hsien.** In view of the varying conditions in localities, standardized organization was eliminated, organs affected by the abolition of extraterritoriality and the transfer of administrative rights were readjusted and consolidated, the hsien councillor system was abolished and replaced by the assistant hsien-magistrate system, the offices of the assistant councillor, the police affairs directing official and of the auditor were abolished, and the functions were divided according to offices.

Banner. The only political unit in Mongolia is the banner, which is also a self-governing administrative unit. The name banner finds its origin in the days of the Ching dynasty's rise to power. The Ching dynasty, grateful for the meritorious services rendered by the Mongols, granted pastureland, organized a banner in each village based on the eight banner army organization, appointed a chief to head each banner, and enrolled the bannermen in its army. Later the banner system began to degenerate with the penetration of the Hans (Chinese) and the oppression of warlords, but when Manchoukuo was founded, the General Administrative Office of the Hsingan Provinces was created in view of the peculiar conditions existing in Mongolian society. Furthermore, in December, 1934, the Department of Mongolia Administration was established simultaneously with the inauguration of the system of local government but after a number of revisions, the Department was abolished in July, 1937, and the Hsingan Office was organized and attached to the State Council. Minor changes were made in banner organization. At the present time, there is a total of twenty-nine banners.

Towns and Villages. Towns and villages are the lower administrative units of the country, towns being based upon the Town System Law and villages on the Village System Law, but both differ in no respect from each other as far as fundamental organization is concerned, except in minor details, culture and the scope of functions depending upon the standards of inhabitants.

The town and village systems were inaugurated for the first time on January 1, 1937, but prior to this date, the village system had been adopted in a certain section of the former Liaoning Province in accordance with the provisional law establishing this system. In 1936, the village system was adopted on a temporary basis in Fengtien and four other provinces, and this became the basis in Fengtien and four other provinces, and this became the foundation of the present town and village systems. Racial harmony is the fundamental principle underlying the establishment of the two systems. Both units are recognized as juridical persons and the policy of large villages is being followed.

Towns whose system is similar to that of municipalities, number 103 in all at the present time, while villages which were formed by combining rural villages, total 1,970.

Table 4. LIST OF PROVINCES, CITIES, PREFECTURES AND BANNERS

(1940)

Province	
Hsinking Special Municipality	新京特別市
Fengtien Province	奉天省
Mukden City*	奉天市
Fushun City	撫順市
Yingkow City	營口市
Anshan City	鞍山市
Liao-yang City	遼陽市
Ssupingkai City	四平街市
Tieh-ling City	鐵嶺市
Liao-yang (pref.)	遼陽
Liao-Chung (pref.)	遼中
Pen-Hsi (pref.)	本溪
Fushun (pref.)	撫順
Shen-yang (pref.)	瀋陽

Province	
Tieh Ling (pref.)	鐵嶺
Kai-Yuan (pref.)	開原
Hsin-Min (pref.)	新民
Fa Ku (pref.)	法庫
Kang-Ping (pref.)	康平
Hai-cheng (pref.)	海城
Kaiping (pref.)	蓋平
Fu-hsien (pref.)	復
Hsinching (pref.)	興京
Ching-yuan (pref.)	清原
Hsi-feng (pref.)	西豐
Chang-tu (pref.)	昌圖
Li-shu (pref.)	梨樹
Shwangshan (pref.)	雙山
Liao-yuan (pref.)	遼源
Hai-lung (pref.)	海龍
Tung-feng (pref.)	東豐
Sian (pref.)	西安
Kirin Province	**吉林省**
Kirin City*	吉林市
Changchun (pref.)	長春
Shwang-yang (pref.)	雙陽
I-Tung (pref.)	伊通
Teh-Hui (pref.)	德惠
Kiu-Tai (pref.)	九臺
Nen-An (pref.)	農安
Chang-ling (pref.)	長嶺
Chien-An (pref.)	乾安
Fu-yu (pref.)	扶餘
Yung-Ki (pref.)	永吉
Su-Lan (pref.)	舒蘭
Ke-Mu (pref.)	額穆
Tun-hwa (pref.)	敦化
Hwa-tien (pref.)	樺甸
Pan-Shih (pref.)	磐石
Yu-Shu (pref.)	楡樹
Huai-Teh (pref.)	懷德
Koerlos front banner	郭爾羅斯前旗
Lungkiang Province	**龍江省**
Tsitsihar City*	齊々哈爾市
Lungkiang (pref.)	龍江
Tailai (pref.)	泰來
Taikang (pref.)	泰康
Chingshin (pref.)	景星
Kan-nan (pref.)	甘南

Province	
Fu-yu (pref.)	富裕
Lientien (pref.)	林甸
Noho (pref.)	訥河
Talai (pref.)	大賚
Feng-chuan (pref.)	醴泉
An-Kwang (pref.)	安廣
Cheng-Tung (pref.)	鎭東
Kai-Tung (pref.)	開通
Yen-Yu (pref.)	瞻楡
Taonan (pref.)	洮南
Paichen (pref.)	白城
Toerpater banner	杜爾伯特旗
Weiko banner	位克
Ming-an banner	明安旗
Jehol Province	**熱河省**
Chengteh-kai*	承德街
Chengteh (pref.)	承德
Hsin-lung (pref.)	興隆
Lan-Ping (pref.)	灤平
Feng-Ning (pref.)	豐寧
Lung-Hwa (pref.)	隆化
Chien-Chang (pref.)	建昌 (喀喇沁左旗)
Ching-Lung (pref.)	青龍
Ning-Cheng (pref.)	寧城 (喀喇沁中旗)
Chifeng (pref.)	赤峰 翁牛特右旗)
Weichang (pref.)	圍場
Chien-ping (pref.)	建平 (喀喇沁右旗)
Hsin-hui (pref.)	新惠(敖漢旗)
Wutan (pref.)	烏丹(翁牛特左旗)
Pinkiang Province	**濱江省**
Harbin City*	哈爾濱市
Acheng (pref.)	阿城
Ping-hsien (pref.)	賓
Shwangcheng (pref.)	雙城
Wuchang (pref.)	五常
Chuho (pref.)	珠河
Weiho (pref.)	葦河
Yenshou (pref.)	延壽
Hulan (pref.)	呼蘭
Payen (pref.)	巴彥
Mulan (pref.)	木蘭
Chaotung (pref.)	肇東

Province	
Chaochow (pref.)	肇州
Lansi (pref.)	蘭西
Tunghsing (pref.)	東興
Anta (pref.)	安達
Chingkang (pref.)	青岡
Kuerlos rear banner	郭爾羅斯後旗
Chinchow Province	**錦州省**
Chinchow City*	錦州市
Chin-hsien (pref.)	錦
Chinsi (pref.)	錦西
Hsincheng (pref.)	興城
Suichung (pref.)	綏中
I-hsien (pref.)	義
Peichen (pref.)	北鎭
Panshan (pref.)	盤山
Taian (pref.)	臺安
Heishan (pref.)	黑山
Changwu (pref.)	彰武
Chaoyang (pref.)	朝陽(吐默特右旗)
Fuhsin (pref.)	(阜新)吐默特左旗
Antung Province	**安東省**
Antung City*	安東市
Antung (pref.)	安東
Fengcheng (pref.)	鳳城
Shiuyen (pref.)	岫巖
Chwangho (pref.)	莊河
Kuantien (pref.)	寬甸
Kuanen (pref.)	桓仁
Chientao Province	**間島省**
Yenki-kai*	延吉街
Yenki (pref.)	延吉
Wangching (pref.)	汪清
Holung (pref.)	和龍
Hunchun (pref.)	琿春
Antu (pref.)	安圖
Sankiang Province	**三江省**
Chiamussu City*	佳木斯市
Fangcheng (pref.)	方正
I-lan (pref.)	依蘭
Poli (pref.)	勃利
Fu-yuan (pref.)	撫遠
Tungchiang (pref.)	同江
Fuchin (pref.)	富錦
Hwachuan (pref.)	樺川

Province	
Tungho (pref.)	通河
Tangyuan (pref.)	湯原
Lopei (pref.)	蘿北
Suiping (pref.)	綏濱
Holi (pref.)	鶴立
Tunghua Province	**通化省**
Tunghua-kai*	通化街
Tunghua (pref.)	通化
Lenkiang (pref.)	臨江
Changpai (pref.)	長白
Fushun (pref.)	撫松
Hui-nan (pref.)	輝南
Chingchuan (pref.)	金川
Liuho (pref.)	柳河
Mengkiang (pref.)	濛江
Chinan (pref.)	輯安
Mutankiang Province	**牡丹江省**
Mutankiang City*	牡丹江市
Ningan (pref.)	寧安
Tungnin (pref.)	東寧
Mulin (pref.)	穆稜
Suiyang (pref.)	綏陽
Tungan Province	**東安省**
Tungan-kai*	東安街
Hulin (pref.)	虎林
Yoho (pref.)	饒河
Paoching (pref.)	寶清
Linkou (pref.)	林口
Mishan (pref.)	密山
Peian Province	**北安省**
Peian-kai*	北安街
Suiling (pref.)	綏稜
Tiehli (pref.)	鐵驪
Chingcheng (pref.)	慶城
Suihua (pref.)	綏化
Hailun (pref.)	海倫
Wangkwei (pref.)	望奎
I-an (pref.)	依安
Peian (pref.)	北安
Tehyu (pref.)	德都
Koshan (pref.)	克山
Kotung (pref.)	克東
Paichuan (pref.)	拜泉
Mingshui (pref.)	明水

Province	
Tungpei (pref.)	通北
Nenkiang (pref.)	嫩江
Heiho Province	**黑河省**
Heiho-kai*	黑河街
Moho (pref.)	漠河
O-pu (pref.)	鷗浦
Huma (pref.)	呼瑪
Aigun (pref.)	璦琿
Chiko (pref.)	奇克
Shunho (pref.)	遜河
Wuyuen (pref.)	烏雲
Foshan (pref.)	佛山
Sunwu (pref,)	孫吳
East Hsingan Province	**興安東省**
Chalan-tun*	札蘭屯
Payen banner	巴彦旗
Molitawa banner	莫力達瓦旗
Aiyung banner	阿榮旗
Chiterha banner	布特哈旗
Shitacher banner	喜扎嘎爾旗
South Hsingan Province	**興安南省**
Wangyemiao*	王爺廟
Chalaiter banner	扎賚特旗
Koershin right wing front banner	科爾沁右翼前旗
Koershin right wing rear banner	科爾沁右翼後旗
Koershin right wing central banner	科爾沁右翼中旗
Koershin left wing central Province banner	科爾沁左翼中旗
Tungliao (pref.)	通遼縣
Koershin left wing rear banner	科爾沁左翼後旗
Koershin left wing front banner	科爾沁左翼前旗
Hulunbair banner	庫倫旗
West Hsingan Province	**興安西省**
Kailu*	開魯
Chaluter banner	扎魯特旗
Arlukershin banner	阿魯科爾沁旗
Palin left wing banner	巴林左翼旗
Palin right wing banner	巴林右翼旗
Linsi (pref.)	林西縣
Koshihkoter banner	克什克騰旗
Kailu (pref.)	開魯縣
Aiman banner	奈曼旗
North Hsingan Province	**興安北省**
Hailar*	海拉爾
Noerkona right wing banner	額爾克納右翼旗
Noerkona left wing banner	額爾克納左翼旗
Chenpaerhu banner	陳巴爾虎旗
Solung banner	索倫旗
Hsinpaerhu right wing banner	新巴爾虎右翼旗
Hsinpaerhu left wing banner	新巴爾虎左翼旗

* Location of provincial office.

REORGANIZATION OF JULY 1, 1937

Reorganization of Central Administrative Organs. During the first five years of Manchoukuo statehood, chief effort in the sphere of national administration was directed toward the abolition or reform of all vestiges of the former regime and the perfection of a centralized administration through the incorporation of new constitutional principles. Thus was introduced the system of four independent branches of administration peculiar to Manchoukuo, namely, the State Council, the Legislative Council, the Courts of Justice, and the Supervisory Council. The Prime Minister headed the State Council and controlled the Ministers of eight Departments, namely, Civil Affairs, Foreign Affairs, Defence, Finance, Industry, Communication, Justice and Education. The Hsingan Provincial Bureau within the State Council was later modified and raised to the status of a Department under the name of the Department of Mongolian Affairs, thus completing the system of nine Departments. The Imperial Household Department looked after the affairs of the Imperial Household while the Privy Council advised the Emperor on important State affairs. And thus, for the first time since its founding Manchoukuo came to enjoy the real benefit of statehood with its administrative organs in the modern sense of the term.

But after five years of experimentation and regimentation, a readjustment in various phases of national administration became a matter of necessity and a serious study was instituted in that direction. As the result of this study, a complete reorganization of the national administrative organs was effected on July 1, 1937. In this reorganization, the following points were given special emphasis:

(1) While thoroughly clarifying the administrative structure as a whole, unified control over the planning and execution of State affairs by the various Departments of the Government to be strengthened, so as to facilitate the efficient functioning of the State.

(2) For the purpose of effecting immediate restoration of public peace and order, the organs concerned to be unified and strengthened under a single control, and at the same time, special consideration to be paid to attaining harmony between regional, military and police organizations, and general administrative organs.

(3) The most appropriate organization for the purpose of facilitating economic development or more precisely the execution of the Five Year Industrial Development Plan to be instituted, and the control over heavy industries to be strengthened and consolidated.

(4) Popular will and national strength to be developed and cultivated, and for the purpose of facilitating the development of villages, the Government organs concerned to be rationally unified and strengthened.

(5) Closer relations between the Central and Local Governments to be developed, the functions of local administrative organs to be expanded and strengthened, and the evils of standardization to be eradicated.

(6) Local self-government to be fostered and improved, and administrative, cultural, and economic systems to be coordinated and consolidated.

The main features of this drastic reorganization of July 1937 were the reversion to the system of three independent branches of administration, namely, the State Council, the Legislative Council, and the Courts of Justice, and the revision of the number of Departments to six, namely, Public Peace, People's Welfare, Industry, Finance and Commerce, Communications, and Justice. The salient points in the reorganization may be summarized as follows:

(1) Elimination of the practice of submitting views to the throne by the Privy Council.

(2) Elimination of the Supervisory Council and creation of Bureau of Audit in the State Council.

(3) Establishment of an Office of Home Affairs in the State Council to take charge, under the direct supervision of the Prime Minister, of matters concerning the general guidance of local organization and the general supervision of Provincial governors.

(4) Inauguration of a Planning Council, under the direct control of the Prime Minister, to study and to deliberate upon basic national policies.

(5) Abolition of the Department of Foreign Affairs and creation of a new office of Foreign Affairs, under the direct supervision of the Prime Minister, and the transfer of matters concerning commercial affairs to the new Department of Finance and Commerce.

(6) Creation of the Department of the Public Peace through amalgamation and reorganization of the Department of Defence and the Bureau of Police Affairs in the Department of Civil Affairs, to take charge of the police affairs of the State in addition to matters concerning national defence.

(7) Abolition of the Department of the Mongolian Affairs and creation of an Office of Hsingan Affairs, under the direct control of the Prime Minister, to coordinate matters concerning the administration of the Mongols.

(8) Reorganization of the existing Departments of Civil Affairs, Industry, Finance, Communications, and Education into four Departments of People's Welfare, Industry, Finance and Commerce, and Communications.

(9) Continuation without modification of the Department of Justice and its courts.

Further revisions were effected from time to time as necessities of adjustments arose. In line with this policy, the Office of Home Affairs was changed to the Bureau of Local Affairs and placed under the direct supervision of the General Affairs Board in July, 1939.

Reorganization of Local Organization. An efficient administration of Manchoukuo required an efficient organization of local administration. For such a purpose, the administrative divisions which existed in Manchuria prior to the founding of the new State were too general and unscientific and thus a complete renovation of administrative divisions became a matter of pre-requisite in realizing a new and enlightened administration. At the same time, geographical factors and the trend of new development had caused the appearance of new political and economic centers.

It was under such circumstances that the first step toward the reorganization of local administrative system was effected on December 1, 1934, when the former "Four North-Eastern Provinces" were replaced by fourteen Sheng or Provinces. This reorganization was conducted in line with the recommendations made by the Local Administrative Research Commission which had made exhaustive studies concerning improvement of local administration. The principles underlying this and subsequent reforms were as follows:

A. Local administrative organs shall be adjusted so that they will conform to the actual condition of their respective localities.
   1. Local administrative organs shall be unified as far as local conditions and functions permit.
   2. Standardization shall be avoided, but local administrative organs shall be made to conform to local conditions and national requirements.

3. Reports and items of enquiry shall be adjusted, and appropriate powers and functions shall be delegated.
4. Necessary modifications shall be made in the borders of the provinces.

B. Cooperative associations shall be popularized and the system of local self-government shall be improved.

1. Industrial unions and local organizations which strive for harmony between administration and economy shall be placed in close relationship with each other. To attain this end, the self-governing organs of these two groups of organizations shall be connected through personnel, while the jurisdiction of the two shall be made to coincide as much as possible.
2. Local self-government shall be improved and properly controlled in conformity with the ability of the races for self-government.
   a) Directors of local organizations shall be officials or governmental appointees.
   b) For the time being, no organ with voting power shall be established in local organizations. In cases where consultative organs are found, the members shall not be elected by popular vote.
   c) As to the scope of self-government, it shall be wider in lower organizations, and the policy of gradual diffusion shall be adopted according to the state of progress and abilities of the inhabitants.
   d) In line with the adjustment policy of the Paochia (a group of families with a head) and towns and cities, the former shall gradually be incorporated into the latter.

Under the local administrative reform of December 1, 1934, a Province became a mere administrative organ of the Central Government while the division of administrative functions between central and local authorities were clearly demarcated. Consequently, the Governor of a Province remains under the charge and supervision of the Prime Minister and the Departmental Ministers. The Governor is empowered to enforce all laws and to fulfill all instructions within his Province and superintends all affairs

of administrative character. On the other hand, unlike the practices of the former regime, the collection of taxes, the stationing of troops and the compilation of budgets are done under the direction of the Central Government. The realization of this noteworthy change not only helped to unify local administration, but also elimniated opportunities for fraudulent practices and divisional dissensions which characterized the local administration before 1932.

The Province, under the new system, was further sub-divided into Hsien or Districts and Hsien into Chu or Counties and Tsun or Villages as the last local administrative units. In addition, the Hsinking and Harbin Special Municipalities and the North Manchuria Special District (it was abolished on January 1, 1936) were placed under the direct jurisdiction of the Department of Civil Affairs. Moreover, in the districts where the Mongols predominate, the Mongolian tradition was followed and preserved to a large extent. Thus, the administrative unit of the Hsingan Provinces is Chi or Banner, a legal body under the supervision of the State with an autonomous assembly to determine the budget and other important matters.

The second noteworthy step toward the reform of local administration was taken on July 1, 1937, in conjunction with the general administrative reorganization pursued by the State. On this occasion two new Provinces, namely, Tunghua and Mutankiang were created in addition to the then existing fourteen Provinces of Fengtien, Kirin, Lungkiang, Pinkiang, Jehol, Chinchou, Antung, Sankiang, Chientao, Heiho and the four Hsingan Provinces (East, West, North, South). With the exception of the four Hsingan Provinces, it expanded the function of the Provincial Government and made its constitution quite elastic so as to make the functional divisions conform with the local needs; instead of following a standardized formula irrespective of the local needs, it abolished the Harbin Special Municipality and incorporated it into the city of Harbin, thus limiting the "Special Municipality" system to Hsinking only; it created ten new cities, namely, Antung, Fushun, Yingkou, Anshan, Ssupingkai, Liaoyang and Tiehling in anticipation of the relinquishment of Japan's extraterritorial rights within the South Manchuria Railway Zone (as abolished on December 1, 1937), and Mutankiang, Chinchou and Chiamussu; it left the organizations and functions of Banner untouched; it instituted a Police Bureau in each city; it created a Fourth District Postal Administration Office at Chinchou and prepared the way for the expansion of city and village postal functions in anticipation of the relinquishment of extraterritoriality by Japan. In short, it strengthened the local administrative machinery to co-operate fully with the reorganized Central Government but made its organization adjustable to the local needs rather than following a fixed formula.

Then again in line with the policy of developing the northern frontier districts, Tungan and Peian Provinces were created on June 1, 1939.

REFORM OF GOVERNMENT ORGANIZATION LAW

(July 15, 1940)

With the sacred object of clarifying the fact that shrine administration in Manchoukuo belongs to the supreme power invested in the Emperor and that national religious services shall be administered by a Board of Rituals, the Government on July 15th promulgated a revision of the Organic Law as well as regulations governing the organization of the Board of Rituals, which is to take charge of affairs concerning all ceremonies and buildings of the The State Foundation Shrine and The State Foundation Mausoleum for National Martyrs. In view of the extreme importance of the present revision of the basic Organic Law of Manchoukuo, Imperial Instructions were issued in connection with the revision, a translation of which follows:

> We hereby order the authorities to promulgate and enforce a revision of the Organic Law for erection of the State Foundation Shrine so that we may personally observe State Rituals with due respect and sincerity, and also for establishment of Board of Rituals for regular observance of national ceremonies and undertake necessary duties for the purpose. We desire our subjects to think of the prime principle of the foundation of the Empire and the origin of religion and politics, so that they may have one faith and never prove delinquent in their pious duties." The Organic Law is revised so as to add Article 9 providing for the personal conduct of rituals by the Emperor, and Chapter 2 and Article 15 to the effect that the Board of Rituals shall take charge of matters related to State rituals, according to the provisions of an Imperial decree. The revisions comes in effect on and after July 15, 1940.

On the Imperial Rescript issued Premier Chang made the following statement:

> H.I.M. the Emperor personally performed the ceremony of dedicating the State Foundation Shrine to Amaterasu-Omikami in the Palace grounds early this morning, and issued the Rescript on the establishment of the Shrine. His Majesty commanded us to assist in the unprecedented ceremony, and deeply impressed us all with the grant of the Rescript.
>
> The Emperor of Manchoukuo has always identified himself in thought and action with H.I.M. the Emperor of Japan. He has his comprehension of the unique character of Japanese polity deepened by his recent visit to the Island Empire. In his profound belief in the oneness with Japan, and in view of the basic principles of our national foundation, he has established the State Foundation Shrine and dedicated the same to Amaterasu-Omikami, in order to set an example of gratitude and secure national welfare under the protection of the enshrined Deity, declaring at the same time that his descendants will not fail for all eternity in the devotion to the Deity, thus determining and establishing the immutable foundations of national polity and worship.
>
> His Majesty has ordered the creation of a Board of Rituals to take charge of matters relating to National worship. He has made this decision, we humbly presume, out of his pious desire to personally conduct State services.
>
> In conformity with the Imperial Rescript issued to-day, the people of Manchoukuo must conduct themselves in harmony, each doing his best in his station to contribute to the consolidation of the State and the advancement of national power.
>
> Simultaneously with the Rescript on the establishment of the State Foundation Shrine, His Majesty decreed an amnesty, granting an Imperial favour upon the unfortunate persons in person. We are struck with the immensity of Imperial benevolence. The people of Manchoukuo should never fail to their service to the State, realizing that the amnesty granted by the Emperor is due to the guidance of Amaterasu-Omikami responding to the prayers of His Majesty.

Table 5. OCCUPANTS OF LEADING MANCHOUKUO GOVERNMENT POSTS

(Nov. 1941)

Minister of the Imperial Household	Hsi Chia
Vice-Minister " "	Torao Kagoshima
Lord Keeper of Privy Seal	Yuan Chin-kai
Chief Aide-de-Camp	General Chi Hsing
President of Privy Council	Tsuang Shih-i
Vice-President " "	Toranosuke Hashimoto
President of Board of Rituals	Toranosuke Hashimoto

State Council

Prime Minister	General Chang Ching-hui
Minister, Dept. of Public Peace	General Yu Cheng-cheng
Vice-Minister, " "	Saburo Shibuya
Minister, Dept. of People's Welfare	Ku Tsu-heng
Vice-Minister, " "	Matsuzo Genda
Minister, Dept. for Agricultural Development	Yu Ching-yuan
Vice-Minister, " "	Hayao Inagaki
Minister, Dept. of Finance & Commerce	Tsai Yun-sheng
Vice-Minister, " "	Minoru Aoki
Minister, Dept. of Communications	Yuan Chien-tuo
Vice-Minister, "	Takeo Iino
Minister, Dept. of Justice	Chang Huan-hsiang
Vice-Minister, "	Shigeru Maeno
President, Supreme Court	Eiichi Ino
President, Supreme Procurator's Office	Hsu Wei Hsin
Director-General, General Affairs Board	Rokuzo Takebe
Vice-Dir.-Gen., " " "	Tamotsu Matsuki
" " " "	Wang Yun-chin
" " " "	Tadayuki Furumi
Director-General, Foreign Office	Wei Huan-chang
" , Hsingan Office	Pa-ta-ma-la-pu-tan
" , Cadastre Adjustment Gen. Office	Tsiao Cheng-tsung
" , Bureau of Supplies	Toshiro Mukai
" , Bureau of Architecture	Toshio Kasahara
" , Board of Audit	Shizuo Arai
Supt.-General, Metropolitan Police Board	Tsi Chin-cheng
President, Tatung Acadamy	Tadaya Inouye
" , Chienkuo University	General Chang Ching-hui
" , Institute of Continental Scientific Research.	Umetaro Suzuki

Provincial Governors

Kirin	Yen Chuan-fu	Mutankiang	Kiyoshi Mitani
Fengtien	Chin Jung-kuei	Tungan	Yohei Kibe
Lungkiang	Huan Fu-tsung	Peian	Shou Yu Peng
Jehol	Chang Lien-wen	Heiho	Keiichi Miura
Pinkiang	Yu Ching Tao	Hsingan, East	Po-yen-man-tu
Chinchow	Wang Shui-hua	Hsingan, South	Shou Ming-A
Antung	Ting Chao	Hsingan, West	Ne-la-ko-erh-cha-pu
Chientao	Shoichi Kanki	Hsingan, North	Eh-lu-chin-pa-tuh
Sankiang	Lu Yuan-shan	Ssuping	Hsu Chia-huan
Tunghua	Chiang Chuang Wo		

Kyowa-kai

Chief, Central Headquarters	Lt.-Gen. Koji Miyake
Vice-Chief, Central Headquarters	Yuan Chien-tuo
Chief, Metropolitan Headquarters	Yu Ching-yuan

CHAPTER VI

BASIC ECONOMIC POLICY

The cornerstone of Manchoukuo's policy of economic construction is embodied in a statement issued by the Government on March 1, 1933, on the first anniversary of the founding of the new State. The statement reads as follows:

Fundamental Policies for Economic Construction

In order to avoid the baneful effects which capitalism when unbridled may exert, it is necessary, in constructing our national economy, to apply a certain amount of national control thereto, and to utilize the fruits of capital so that a sound and lively development in all branches of the people's economy may be realized. Thus will the economic life of the great mass of citizens be enriched and rendered secure, the standard of their national life elevated, and the country's power strengthened, and in turn enable this country to contribute to the development of world economy, and advance the cause of culture. Through such a process Manchoukuo intends to realize a model State which is the aspiration of the founders of this nation and which after all is the ultimate goal of the economic program.

In order to attain this great objective, it is essential to proceed under four basic policies enumerated hereinafter:

Firstly, the interests of the people as a whole will be made the keynote and efforts will be made to prevent any exclusive class of people from monopolizing the benefits of the exploitation of natural resources and the development of industries, and to enable all to enjoy such benefits.

Secondly, in order to develop all natural resources most effectively and to secure a coordinated development of every branch of economy, national control will be exerted on important economic activities and measures for their rationalization devised.

Thirdly, in the work of unlocking resources and encouraging the industries, the principle of the open door and equal opportunity will be observed. In the spirit of this principle, capital investments from various parts of the world will be invited, while appropriate and effectual use will be made of the technical skill and experience and other essence of civilization, taken from advanced nations.

Finally, with a view to harmonizing and rationalizing economic relations among Eastern Asiatic countries, and in view of the close economic inter-dependence between Japan and this country, emphasis will be placed upon securing cooperation between the two nations, and thereby rendering more intimate the relationship of mutual assistance.

These four policies being fundamental in the projected economic construction, they will be thoroughly and scrupulously observed in all cases so as to insure their complete execution.

Means of Economic Control

Based upon the fundamental policies listed in the foregoing, this Government will seek to control its national economy within the scope of the following limits considered as the most feasible and best under the present circumstances:

(1) As a principle, those enterprises which are important from the standpoint of national defence, or which are in the nature of public utility or public benefit will be conducted under official management by special companies.

(2) Industries and resources not included within the above category will be left to the free management of private persons. Proper and necessary adjustment will be effected in the spheres of both production and consumption in order to promote national happiness and welfare, as well as to maintain the livelihood of the people.

Perfection of the Means of Transportation

Since a proper adjustment of the means of transportation constitutes the most important factor in the foundation work of economic construction, for the development of agriculture, which is the back-bone of our national economy, and of other natural resources, for the preservation of peace and order, for seeking prosperity in commerce and trade, for economic intercourse with

foreign countries, energy will be devoted to the organic expansion of these means.

(1) **Railways.** a. In the construction of railways, the primary object will be the development of the economic wealth of this country; and the safety of national defence and the maintenance of public peace will also be sought for.

b. The total length of railways, when completed in the future, will reach 25,000 kilometres. In the next ten years, 4,000 kilometres of new lines will be laid, making a total of 10,000 kilometres by adding the existing railways.

c. Trunk lines will be State-owned and operated under unified management.

(2) **Harbours.** a. Besides the harbours in our country, those in adjacent countries will be effectively utilized in order to accelerate the economic development of Manchoukuo and to effect a most economical connection between the producing districts and sea-ports.

b. Necessary improvement will be made on the harbours of Yingkow and Antung.

c. The harbour works of Hulutao will be completed as the demands of economic necessity become pressing in the future.

d. In maritime transportations, the perfection of coastwise services will be sought first. The ocean services will also be attended to in order that they may be developed as speedily as possible.

(3) **Rivers.** In view of the important nature of rivers, transport facilities on the Amur, Sungari, Yalu and Liao Rivers will be promoted.

(4) **Roads.** a. With the object of facilitating transport and of preserving public peace, highways connecting principal cities and the hsien (district) towns, and such other roads as may be necessary for opening up backward regions and for purposes of defence will be newly built or improved. They will be completed within the period of ten years and their total length will be about 60,000 kilometres.

b. Motor traffic will be opened on these highways throughout the country in the future.

(5) **Communications.** a. The unification and the linking up of the communication services within the country will be given

primary consideration while connection with foreign countries will also be perfected.

b. Telegraph and wireless services will be operated under unified management: principal economic lines and their feeder lines will be improved and extended: telephone installations in principal cities and equipments for radio broadcasting will likewise be bettered and enlarged.

(6) **Air Transport.** In view of the ever progressing tendency of air transport, efforts will be directed towards the encouragement of this enterprise. The Manchuria Aeronautic Company, which is equipped with superior aeroplanes and technical skill, will be permitted to operate this service. About 3,500 kilometres of air routes will be opened in the next three years. New air lines will be established in the future connecting Europe and Asia, as well as various parts of the Far East.

(7) **City Planning.** a. Hsinking, the capital of Manchoukuo, will be built up into a model city, which, when completed, will have an area of 200 sq. kilometres, capable of accommodating a population of 500,000.

b. In such cities as Mukden, Harbin, Kirin and Tsitsihar modern city planning will be put into practice at appropriate time in the future.

Development of Agriculture

(1) **Agriculture.** a. Agriculture is the mainstay of our national economy. The objective for the increase of farm produces lies in planning to become self-sufficient in those products which at present must be imported from abroad, as well as in striving to export in greater quantities agricultural produces in general and thereby secure a larger measure of happiness and benefit for the rural masses and elevate their standard of living.

(2) **Improvement and Increase of Farm Products.** a. Proper guidance and encouragement will ge given to the cultivation of soya beans, kaoliang, millet and maize which constitute the staple products of Manchoukuo, so as to improve their their qualities and increase their output.

b. The area for the cultivation of cotton will be increased to 300,000 cho, and the annual output of ginned cotton to 150,000,000 kin.

c. The cultivated area of wheat will be increased to 2,300,000 cho, and its annual production to 20,000,000 koku.

d. The growing of tobacco, hemp, peanut, sesame, castor, beans, hop, sugar beet, fruits, vegetable, etc. and tusser silk culture will be encouraged for the betterment of agricultural management and the prosperity of farmers.

(3) **Stock-farming.** 1. Though this country is abundant in livestock, there is a vast number of inferior breed which lowers their value as resources. The chief concern in developing these resources will accordingly be to improve their stock, as well as to increase the number of such domestic animals.

2. Improvement and Increase of Domestic Animals.

a. The existing breed of horses will be improved upon by introducing Arabs and Anglo-Arabs and other superior strains, as a result of which at least 2,000,000 select breeds are to be obtained.

b. Merino will be introduced to improve the existing stock of sheep, and at least 4,000,000 of the present species are to be replaced by the improved variety.

c. Cattle of superior quality will be increased by selecting at least 2,700,000 heads.

d. Hogs will be improved chiefly by introducing Birkshire, and their production will be increased to meet home consumption.

(4) **Forestry.** 1. The principal object of forestry in this country will be to endeavour to restrict and control the indiscriminate felling of trees, and to protect and increase the production of trees, as well as to preserve the productive capacity of forests through rationalized management.

2. Any new grant of forest-ownership will be withheld for the time being. In the coming five years, all existing rights of forest-ownership will be readjusted, while a basic survey will be conducted of the principal forests in this country, and the State forests determined so as to establish a basis for their rational management. Generally speaking, State forests should be administered by the State but, in case of

necessity, they may be managed otherwise. Public and private forests will be encouraged to conduct rationalized management under Government supervision. Afforestation will also be fostered with the view to developing the industry.

(5) **Marine Products Industry.** a. Fishery.
Fishery resources will be carefully fostered through culture increase, while any wanton catch will be prohibited in order to preserve their lasting utility.

b. Salt-manufacturing.
The industry will be developed by readjusting and enlarging salt fields.

(6) **Agricultural Management.** The prevailing method of farming which requires the use of domestic beasts will be adopted as the basic form of management, which will be improved by cultivating new varieties of crops, and by introducing various avocational enterprises and the use of machinery.

(7) **Agricultural Establishments.** 1. With the view to promoting the prosperity of agricultural districts and increasing the economic resources of the peasant households, a system of agricultural associations will be organized to place their positions regarding production and consumption on a better basis, and secure unobstructed circulation of money. The various institutions in the rural communities will be perfected and stabilized.

2. In order to guide and stimulate agricultural industries, various experiment stations, organizations for the improvement of livestock, research institutes for the prevention of cattle plague, grounds for experimental cultivation and seedlings, and model forests will be established.

3. Scientific facilities for meteorological observations will be installed within five years from 1932 (First Year of Tatung).

4. A preliminary investigation will be made in respect to river improvements and irrigation works.

(8) **Lands.** 1. A survey of lands will be started immediately, land system established, and evils which attend the unscrupulous annexation of land will be prevented.

2. A special organ will be created for the cultivation of the untilled land; and within fifteen years about 5,000,000 cho of it will be developed by agricultural settlers.

Development of Mining and Manufacturing Industries

(1) **Policy.** The policy in regard to these industries will be designed to increase the wealth of this country by enriching the people's economy and increasing the national wealth through exploitation of mineral resources, and establishment of basic industries as well as those necessary for national defence.

(2) **Mining.** a. By unifying the various coal mines and rationalizing production and supply of coal, efforts will be made to supply the public with ample quantity of the fuel at reduced prices, and also to augment its export.

b. As a rule the mining rights of mineral resources essential for nationad defence must be held by special corporations so as to prevent reckless and uncontrolled mining operations and facilitate the opening of new pits.

c. Alluvial gold and gold mines will be classified into two, the one owned by the State and the other privately, the latter to be opened to public exploitation.

(3) **Manufacturing Industries.** a. The undermentioned industries will be developed by degrees under necessary control according to domestic demands:

Metallic industry:
Machine manufacture:
Oil milling:
Pulp industry:
Soda manufacture:
Alcohol manufacture:
Tusser silk industry:
Spinning industry:
Flour milling:
Cement manufacture:
Brewing and distilling industry:

b. Industries not included in the foregoing list will for the time being be permitted to develop freely, but, whenever necessity arises in the future they be be properly controlled.

c. Electrical industries will be placed under unified management in order to provide the country with a sufficient supply of power at low cost.

(4) **Establishments.** a. In order to stimulate a healthy development of industries, and to secure the benefits of concentrated establishments, industrial districts will be established in

the following places:

Mukden, Antung, Harbin, vicinity of Kirin.

b. Uniformity will be secured in grade and quality of industrial products.

Adjustment of Money

Among the acts of misgovernment under the former regime, the indiscriminate issue of paper money with the consequent circulation of worthless notes was the most vicious in its effects. In consideration of this fact, this Government, acting upon the policies decided upon at the beginning of the new State will endeavour to secure the smooth circulation of Manchoukuo national currency, and maintain its value. The monetary basis of this country will thus be placed on a solid footing, the credit system generally improved, and the circulation of money rendered easy.

(1) The Central Bank of Manchou will speedily dispense with its subsidiary business, and labour to regulate and stabilize the currency, and be exclusively responsible for its control.

(2) Popular financial organs such as industrial and credit associations, and other general financial establishments will be readjusted, and appropriate measures will be adopted to aid and regulate their business.

(3) In order to assist the development of agricultural and manufacturing industries, special financing facilities will be created. A way will be opened for these organs to offer long-term credits from funds gathered, for instance, by issuing their own debentures with premium by special permission of the Government.

(4) The issue of lottery tickets will be exclusively undertaken by the Government. The issue of premium-bearing debentures will not be permitted except in the case of organs mentioned in the preceding paragraph.

(5) With the object of encouraging thrift among the people, the system of postal savings will be improved and developed.

Aids to Commerce

(1) Every assistance and encouragement will be given to general commerce, and its prosperity will be enhanced by securing smooth transactions, and finding markets for their products in all parts of the world. In this respect, the desirable traits of our merchants will be further encouraged, and old conventions which requires reform will be rectified, so as to rationalize business transactions. The supply and prices of the necessities of life, and other articles which have important bearings upon national life will be properly regulated.

(2) Laws governing patents and trade marks will be promulgated, and right of "industrial ownership" protected. Regulations governing deposit or trust and insurance will likewise be enacted, weights and measures will be unified, the system of produce exchanges will be improved, and in general advanced facilities in regard to commercial transactions will be instituted.

(3) The tariff policy will be designed to promote foreign trade and international transactions.

Improvement of Private Economy

The Government of Manchoukuo does not intend to confine its activities to removing the effects of the misrule committed by the former regime, but desires also to enforce its various policies and establish facilities which will insure happiness to all classes of people, and strengthen national resources by improving the private economy of this country. It will not, however, tolerate the existence of any class of idlers in the country: it will encourage the virtues of self-dependence and cooperation with others, for which objects the following measures will be adopted:

(1) The lives and properties of the people will be safeguarded with all available means.

(2) Necessary arrangements will be considered by the Government people to prepare against famines and other natural calamities, and thereby prevent starvation among the inhabitants.

(3) National power will be expanded by readjusting taxation, and by rationally dividing and lightening the burden of the people.

(4) The necessities of life will be supplied to the people at low prices.

(5) The fruits of mutual assistance will be secured by effecting a sound development of various industrial and credit associations.

(6) Measures will be provided to give work to the unemployed.

Conclusion

Although the present program covering various branches of economy is small in scale, it will be gradually enlarged in proportion to the growth of our financial and economic activities. Even with this program, it is quite obvious that in less than ten years the present total production of the country amounting to 3,000,000,000 Yuan will be doubled. It is confidently expected that the national power will expand with an amazing speed in the not distant future. It must be noted, at the same time that the present plan for the initial period alone demands an enormous sum of capital, expert skill, together with the united efforts of the entire people. As for the funds necessary for the execution of this program, it is the intention of this Government to raise them in the world market, while funds of comparatively small amounts will be collected in the domestic market. Technical guidance, too, will be sought from abroad.

In brief, the present economic construction plan seeks to perfect a new unparalleled system of economy based on the perpetual happiness of this State and its people, its great mission being the realization of that noble principle, "Wangtao", upon which Manchoukuo stands. By setting forth this outline the Government of Manchoukuo earnestly requests for the united and determined support of the entire people.

LAW CONTROLLING IMPORTANT INDUSTRIES

Imperial Ordinance No. 66

Promulgated May 1, 4th year of Kangte (1937)

(Unofficial Translation)

Article I

A person desiring to engage in any of the important industries shall obtain permission therefor of the State Minister or Ministers concerned in accordance with orders issued.

The kinds of the important industries shall be determined by Imperial Ordinance.

Article II

A person engaged in any of the important industries shall submit to the State Minister or Ministers concerned a written statement of his business programme and a report on his business for each business year in accordance with orders issued.

Article III

The State Minister or Ministers concerned may issue to a person engaged in any of the important industries orders necessary for upholding the public interest or for exercising control in connection with such person's business.

Article IV

In case it is deemed especially necessary, the State Minister or Ministers concerned may cause a person engaged in any of the important industries to submit a report on the conditions of his business or property, or cause the officials concerned to conduct an examination of such person's safes, books and other documents or articles.

Article V

In any of the cases hereinunder mentioned, a person engaged in any of the important industries shall obtain permission of the State Minister or Ministers concerned in accordance with orders issued:

1. When the said person desires to enter into an agreement for effecting a control or revise or abolish such agreement:
2. When the said person desires to enlarge his equipment for production or effect a change therein:
3. When the said person desires to transfer to other persons the whole or part of his business:
4. When a merger is to be effected, in case the said person is juridical person.

Article VI

In either of the cases hereinunder mentioned, a person engaged in any of the important industries shall report to the State Minister or Ministers concerned without delay:

1. When the said person has abolished or suspended the whole or part of his business:
2. When liquidation has been affected, in case the said person is a juridical person.

Article VII

When a person engaged in any of the important industries has violated the present Law or orders issued thereunder or dispositions made under such orders, the State Minister or Ministers concerned may cancel the permission mentioned in Article 1.

Article VIII

When a person has engaged in any of the important industries without the permission of the State Minister or Ministers concerned, such person shall be punished with a fine not exceeding five thousands yuan (M¥5,000).

Article IX

When a person engaged in any of the important industries falls under either of the cases hereinunder mentioned, such person shall be punished with a fine not exceeding one thousand yuan (M¥1,000):

1. When the said person has violated the order issued by the State Minister or Ministers concerned in accordance with the stipulation of Article III.
2. When the said persons has violated the stipulations of Article V.

Article X

When a person has failed to submit the report ordered by virtue of the stipulation of Article IV or has made a false report or has refused, obstructed or evaded the examination mentioned in the same Article, such person shall be punished with a fine not exceeding three hundred yuan (M¥300).

Article XI

When a person has violated the stipulations of Article II or Article VI, such person shall be punished with a fine not exceeding one hundred yuan (M¥100).

Article XII

When an employee or an operative has committed in connection with his employer's business any act that falls within the purview of the penal regulations of the present Law, the employer, as well as the perpetrator of the act, shall be punished. In case, however, the employer is a sufferer from mental derangement or is a minor not possessing the same degree of business ability as an adult, his legal representative or representatives shall be punished.

Article XIII

When an employee or an operative of a juridicial person has committed in connection with the business of the said juridical person any act that falls within the purview of the penal regulations of the present Law, the executive partner or official of such juridical person, as well as the perpetrator of the act, shall be punished.

In case an executive partner or official of a juridical person has committed any act mentioned in the preceeding paragraph, such partner or official shall be punished.

Article XIV

In the cases of Article XII and paragraph 1 of the foregoing Article, when the principal, the legal representative, the partner or the official has proven that there was no means of preventing the act in question from being committed, such person shall not be punished.

Supplementary

The present Law shall come into force on the Tenth day of the Fifth month of the Fourth year of Kangte.

A person who is actually engaged in his business at the time of the coming into force of the present Law with a previous permission of the State Minister or Ministers concerned shall be regarded as having obtained permission under the present Law.

A person who is actually engaged in his business at the time of the coming into force of the present Law without the permission of the State Minister or Ministers concerned shall file a petition for the permission stipulated in the present Law within sixty (60) days from the date of enforcement of the present Law.

A person who has filed the petition mentioned in the foregoing paragraph may carry on his business as heretofore pending the receipt of the said permission.

MATTERS CONCERNING THE ENFORCEMENT OF THE LAW CONTROLLING IMPORTANT INDUSTRIES

Imperial Ordinance No. 67

Promulgated May 1, 4th year of Kangte (1937)

(Unofficial translation)

Article I

The important industries as stipulated in paragraph 2 of Article 1 of the Law Controlling Important Industries shall be as follows:

Arms manufacturing industry;
Aircraft manufacturing industry;
Motor car manufacturing industry;
Liquid fuel (mineral oils and absolute alcohol) manufacturing industry;
Iron, steel, aluminium, magnesium, lead, zinc, gold, silver and copper refining industry (the wet process of refining gold or silver being excluded);
Coal mining industry (that producing less than 50,000 metric tons per annum being excluded);
Woollen textile manufacturing industry (that carried on by hand-looms being excluded);
Cotton Spinning industry;
Cotton textile manufacturing industry (that carried on by hand-looms being excluded);
Hemp thread manufacturing industry (producing more than 50 metric tons per annum);
Hemp spinning and weaving industry (that carried on by hand-looms being excluded);
Flour milling industry (having a capacity for a daily production of more than 500 sacks);

Beer brewing industry;
Sugar refining industry;
Tobacco manufacturing industry (producing more than 10,000,000 cigarettes per annum);
Soda manufacturing industry (refining industry of natural soda being excluded);
Fertilizer (sulphate of ammonium, nitrate of ammonium, superphosphate of lime and calcareous nitrogen) manufacturing industry;
Pulp manufacturing industry;
Oil milling industry (carried on the abstraction system or that equipped with more than 15 presses);
Cement manufacturing industry;
Match manufacturing industry.

Article II

The State Minister or Ministers concerned as referred to in the Law Controlling Important Industries shall be the Minister of Industry (within the jurisdiction of the Department of Mongolia Administration, the Minister of Mongolian Administration) and the Minister of Defence as regards arms and aircraft manufacturing Industries; the Minister of Industry (within the jurisdiction of the Department of Mongolia Administration, the Minister of Mongolia Administration) and the Minister of Defence as regards arms and match manufacturing industries; and the Minister of Industry (within the jurisdiction of the Department of Mongolia Administration, the Minister of Mongolia Administration) as regards the other industries.

Article III

When the Minister of Industry (within the jurisdiction of the Department of Mongolia Administration, the Minister of Mongolia Administration) desires to collect reports or cause examinations to be conducted in connection with arms manufacturing industry by virtue of the stipulations of Article IV of the Law Controlling Important Industries, the said Minister shall consult in advance with the Minister of Defence.

Supplementary

The present Ordinance shall come into force on the day of enforcement of the Law Controlling Important Industries.

THE FIVE-YEAR INDUSTRIAL DEVELOPMENT PLAN

The Five-Year Industrial Development Plan, extending over the years 1937-1941, inclusive, consists of three principal policies. The first aims at the establishment of heavy industry, the second the development of agriculture, and the third the expansion of the network of communications. First, in the sphere of heavy industry, the principal aims are to produce annually 5,000,000 metric tons of iron and 2,000,000 tons of liquid fuel; to establish aluminium and magnesium industries with home materials, as well as automobile and aircraft industries; to undertake, side by side with this, a thoroughgoing exploitation of coal resources and expansions of the power facilities.

Next, in regard to agriculture, the goal is to ensure self-sufficiency both in time of peace and war, of food, fodder, etc. In the production of such "special crops" as paddy rice, barley, rye, sugar beet, cotton and kenafe, and of such "principal crops" as soya beans, kaoliang, and maize, a large increase is projected, so that self-sufficiency may be attained not merely for Manchuria but also for East Asia at large.

Further, in the domain of transport, it is the object of the program to extend the network of railways and motor roads corresponding to the expansion of industry and agriculture, so as to facilitate transport, both internal and external. It is part of the program to expand existing harbors or construct new ones.

With regard to land settlement, comprised within the second of the three cardinal policies of the Five Year Plan, the program calls for transferring a million agricultural families from Japan to Manchuria within a period of twenty years. The plan of settling Korean farmers, 10,000 families per year, is also under execution. In Manchuria itself, it is being planned to move people from the congested areas in South Manchuria to the sparsely peopled districts in North Manchuria. For accelerating land development, the Government of Manchoukuo has adopted a comprehensive scheme, including the expropriation of 20,000,000 chobu (2.45 acres equal 1 chobu) of unutilized land, the execution of extensive riparian, irrigation, and reclamation works, so that Japanese, Korean, and Manchu farmers may be settled on the farm-land thus created. For the purpose of direction and control, the Government has established the General Bureau of Land Development, and for undertaking riparian and irrigation works, the Agricultural Land Development Company will soon be established; while the machinery of the Manchuria Colonization Company is being reorganized and strengthened. By such means and measures, the Government hopes to realize its land settlement policy.

The Japanese agricultural settlers are now in a strong position, with excellent results obtained in different parts of the country. Further, youth volunteers were introduced in the autumn of 1939. In spite of the initial difficulties, they passed the winter in the best of spirits. This work is making good progress.

At the end of 1939, the Japanese agriculturists settled in Manchoukuo numbered 43,000, and by the end of 1940, the number was expected to rise to 70,000.

Frontier Development Plan. We now come to the northern Frontier Development Plan, the last but not the least of the three cardinal policies of Manchoukuo. The northern border of Manchoukuo forms not merely the boundary between Manchoukuo and Soviet Russia, but also the frontier between Eastern and Western civilizations. The frontier districts, as they now are, contain a small population, with inadequate facilities of communication. For these reasons the Government of Manchoukuo has adopted the Northern Frontier Development Plan, undertaking, on the one hand, the expansion of the network of traffic and communication in seven northern provinces, namely, Chientao, Mutankiang, Hsinantung, Sankiang, Peino, Hsinpeian, and North Hsingan, and carrying out, on the other hand, the development of agriculture as well as the improvement of public hygiene, so as to advance public welfare in the border districts. The whole project, which is a three year schedule, is estimated to cost 1,000 million yuan. The Government of Manchoukuo, the S.M.R. and other corporations are now directing their united efforts toward the completion of the program.

Principle of Planned Economy. In the execution of the above-mentioned projects, the authorities concerned drew up a definite plan, under which strong control is exercised and the several industries organized, thereby mobilizing the entire resources of the nation. The Government, therefore, adopted the system of special corporations, appointing those responsible for the conduct of specified industries or services in accordance with or along the lines of national policy. In regard to the so-called "important" industries, the Act for the control of such industries is applied, determining the sphere of each industry and regulating the method of management, so as to avoid useless competition and friction between industries; while other industries are left to the free initiative of individuals. Thus, Manchoukuo economy is being carried on by special corporations, controlled corporations, and free enterprises, the principle motive being the furtherance of national economy. It must be emphasized in this connection that although in the basic industries those responsible for their conduct are definitely fixed for each of the industries, it is not intended to stifle independent initiative within the limits of the framework, still less to close the door on the growth of new and independent enterprises in other spheres.

Capital Outlay for Five-Year Plan

The Five Year Industrial Program in its original draft was estimated to cost 2,350 million yen. However, one year after the commencement of the program, drastic expansions were drawn up for the production of basic raw materials. In its revised form the total capital outlay was more than doubled, advancing to 4,800 million yen. The greatest stress was placed in the industries of iron and steel manufacturing, coal mining, electric power generation and coal liquefaction. A comparison of the capital outlays for the original and revised Five Year Plans is given below:

ESTIMATED CAPITAL OUTLAY FOR ORIGINAL AND REVISED FIVE-YEAR INDUSTRIAL PLAN,

1937-1941

Mining and Industry:	Original Plan (million yen)	Revised Plan (million yen)
Iron and Steel	230	700
Coal	150	300
Electric Power	210	500
Coal liquefaction	320	1,000
Mechanical, Chemical, etc.	310	1,300
Total	1,220	3,800
Agriculture & Stockbreeding	130	140
Transportation & Communications	1,000	640
Immigration	—	220
Grand Total	2,350	4,800

The estimated annual production in the closing year of the original and revised Five Year Plans is as follows:

ESTIMATED ANNUAL PRODUCTION IN CLOSING YEAR OF ORIGINAL AND REVISED 5-YEAR INDUSTRIAL PLANS, 1937-1941

	Original Plan (Unit: 1,000 metric tons)	1st Revised Plan (Unit: 1,000 metric tons)	2nd Revised Plan (Unit: 1,000 metric tons)
Pig Iron	2,400	5,000	5,000
Steel	2,225	3,500	5,500
Steel Materials	—	2,000	2,000
Iron Ore	6,600	6,600	12,000
Coal	25,500	38,000	38,000
Electric Power:			
Thermal	575 (a)	1,260 (a)	1,260 (a)
Hydro	870 (a)	1,340 (a)	1,340 (a)
Liquid Fuel:			
Coal Liquefaction	500	500	1,700
Shale Oil	800	650	650
Spirit	56	56	150
Aluminium	20	—	—
Magnesium	2	—	—
Salt	870	1,000	1,000
Soda Ash	72	—	—
Pulp	120	400	400
Asbestos	5	—	—
Lead	124	—	—
Gold (total amount for 5 years)	200 (b)	300 (b)	300 (b)
Automobiles	4,000 (c)	—	—
Aeroplanes	240 (d)	—	—

Note: (a) In 1,000 kilowatts
(b) In million yen.
(c) Cars.
(d) Aeroplanes.

Progress of the 5-Year Plan

The 5-Year Plan was of urgent importance as a positive and progressive step toward development of the country as an active partner in the industrial and strategic "bloc" that Japan had set out to create for the eastern part of Asia. But this ambitious plan, almost at its outset, had to undergo a change and be followed by some further alterations, owing to quite unexpected developments. These changes were made necessary, first, after the outbrak of the China Incident in July, 1937; next, as a sequel to the European war; and, further, as a consequence of the clash between Germany and Soviet Russia in 1941, resulting in a complete suspension of trade with Europe. When Japan became involved in hostilities in China, Manchoukuo's industrial expansion plan was enlarged in scope as a potential source of supply and to meet in part the increasing wartime needs of the allied neighbor. But when the war of Europe broke out and imposed new conditions, Manchoukuo's plan had to shrink in scope and scale, adjustments being necessary to comport with the declining supplies of material. The military outbreak on the Soviet frontier in 1941 forthwith eliminated Germany as a contributor to Manchoukuo's capital equipment. Japan alone remained as a source of material supply. Under these circumstances, further curtailments were enforced, constructive efforts being concentrated on specific essentials of industry.

However, the value of the industrial developments as proposed under the plan is evident and unquestionably worthy as a definite achievement for which Manchoukuo takes a position of no small importance in the scheme of the Far Eastern industrial combine of which Japan is the leader.

Mr. Shinsuke Kishi, Minister of Commerce and Industry in the Tojo Ministry, inspecting conditions in Manchoukuo in the summer of 1941, reported that the original 5-Year Plan had successfully been accomplished to the extent of 70 to 80 per cent of what had been originally set as the goal. In other words, he said, what would have been completed over the period of five years would require one or two more years. The criticism was made by some observers that the original plan was excessive or not proportioned to the conditions of the country or to the industrial or financial capacity of Japan. But, on the other hand, it must be noted that the unexpected wartime developments led to redoubled efforts to scour the field for new resources and explore their values. It was through these extraordinary efforts that Manchoukuo came upon such huge resources in Tungpientao and elsewhere as were never imagined or expected. It was thanks to these efforts that the Fushun mines, generally considered as past their profitably operating stage, continues to work with unwaning vigor, maintaining their position as the foremost producer of coal in the country. It was also due to these efforts that the iron foundries at Anshan and

Penhsihu have been operating at capacity.

The 5-Year Plan of Manchoukuo covers iron and steel, non-ferrous metals, electric power, agriculture, livestock and colonization. Speaking roughly, the plan has been accomplished as originally proposed in the field of agriculture and power production. As for iron and steel as well as other metals, gains in production have been noted for successive years but fail to reach the marks set as the original goal. Under the revised plan the main emphasis is laid on coal, power and agriculture and on the completion of those productive establishments whose capital equipments can be more readily secured for operation.

Results of the Fourth Year of the 5-Year Plan

Difficulties in securing equipment for the expansion of various production efforts were generally surmounted, and gratifying results were attained during the fourth year (1940) of the Five Year Plan, according to a statement issued at a conference of Government authorities and representatives of special corporations and other interested circles held at Hsinking on May 28, 1941, when reports on the actual results attained during the year under review were presented.

Particularly the production of non-ferrous minerals increased by 200-300 per cent over the preceding year, the output of lead rising by as much as 308 per cent, zinc by 213 per cent, copper by 196 per cent and light metals by 200 per cent. The iron and steel output also registered a 104 per cent increase over 1939. Marked gains were also noted in the output of agricultural products and the number of livestocks.

Mining and Manufacturing

The actual results attained in each field of industry are as follows:

Satisfactory results were attained in both the mining and manufacturing industries, while appreciable results were also obtained in the expansion of production equipment. Compared with 1939, the output of pig iron and iron increased by 104 per cent, steel ingots by 102 per cent, steel by 110 per cent, coal by 108 per cent, and liquid fuel (including shale oil) by 100 per cent. In the case of non-ferrious minerals, lead gained by 308 per cent, zinc by 213 per cent, copper by 196 per cent, light metals by 200 per cent, and asbestos by 107 per cent.

Electric Power Industry

Electric power projects have progressed according to plan, and the new power plants under construction at Chingpo Lake and the Yalu River are scheduled to begin generating electricity within 1941, while the power plant on the Second Sungari is expected to commence operations in the spring of 1941.

Agriculture

Of the ordinary crops, the output of kaoliang, millet, maize, rice and buckwheat exceeded the projected yield by more than 100 per cent, while wheat production amounted to 75 per cent of the planned total. Worthy of note is the increase in the yield of paddy rice, which amounted to 116 per cent of the projected output, kaoliang, which recorded an increase of 104 per cent, and maize and buckwheat, which registered 127 per cent and 122 per cent increases respectively.

As regards special crops the output of kenafe was 80 per cent of the planned production, flax and sugar beet 90 per cent, and raw cotton 70 per cent. The yield of soya beans did not come up to the projected output owing to damages caused by frost, and was 20 per cent below the planned production. The output of groundnuts was also 50 per cent under the projected yield.

Bumper crops had been anticipated in the beginning of the year, but owing to considerable damages caused by early frost, which came on September 15, fall crops decreased. Notwithstanding this, the output of principal cereals consumed as food almost reached the planned production, and in some cases exceeded the projected yield. Summer crops were above the average per unit area and reached the planned yield on the whole.

Settlements

During the year under review (1940) plans for settling settlers progressed favourably and the number of Japanese householders who made their homes in various group and collective settlements comprised 85 per cent of the planned total, while the plans for settling Koreans and volunteer youth corps were 65 per cent and 85 per cent successful respectively. The number of Japanese settlers who migrated to Manchoukuo since the launching of the land development policy up to the end of 1940 totalled about 30,000 households, while 24,000 Korean households settled on the land. In addition there were about 20,000 domestic settlers and 40,000 members of the youth volunteer corps. About 20,000 members of the labour service corps also came to Manchoukuo.

Livestock Raising

In the livestock industry actual results attained in sheep raising were 100 per cent successful, while wool production also came up ot the planned output. Cattle and hog raising were 80 per cent and 90 per cent successful respectively.

Transportation and Communications

Considerable difficulty was met in the execution of plans, but satisfactory results were nevertheless attained.

Funds

The amount of funds originally planned to be raised during 1940 was increased to a certain extent owing to the rise in commodity prices and wages, but the amount required for the execution of various construction plans was secured by surmounting numbers obstacles at home and abroad. Japanese investments comprised 55 per cent of the funds raised, while the remaining 44 per cent was raised at home.

DEVELOPMENT AND PROGRESS IN TUNGPIENTAO MANCHOUKUO'S MINERAL CENTER

Much of the development and progress seen in Tungpientao—the east border region—is withheld from publicity for strategic and other reasons. But what little light that has been thrown on the industrial activities that go on in that part of the country, the part which until a few years ago remained unknown to outside except for its mountains and the banditry which made its abode in their natural fastnesses, seems to measure up to and even surpass the most sanguine expectations of those who, upon the discovery of metallic reserves there, acclaimed it as "the Saar Basin" of Manchoukuo.

So little was known of what is now called Tungpientao that its geography remains to be defined in many parts and directions. The nearest approach given to the region on the map, prior to its recent rise to prominence, was the modest town of Tunghua, some 140 miles to the east of Fengtien (Mukden). This town itself was known only as part of the region known as Hsingching, the cradle of the Manchu dynasty of Peking, and, on that account, closed to outside traffic or immigration. Tunghua's development as an agricultural mart dates from 1868 when it was opened by the Peking court to external trade. The agricultural development of the region which had been lying waste chiefly owed to the immigrants from Shantung Province. The country to the east and to the southeast of Tunghua, even after that period, was left unexplored until some years after Manchoukuo came into being.

Tungpientao, which has of late come popularly to mean what is known as Tunghua Province (Sheng) under the reformed administrative system of Manchoukuo, originally constituted a southeastern portion of Tengtien Province as well as the northeastern section of what at present is Antung District (Sheng) and the Chientao District. The towns of Mengpu and Linkiang, forming eastern approaches to the industrial basin of the eastern border region, stand from 250 to 300 miles up the river Yalu from Shingishu. Historically speaking, Tungpientao was the homeland of Kaokuli when it attained a high level of Buddhist culture. Its cultural influence, especially Buddhist in its outstanding characteristics, found its way to Japan through Peckchi. At a later period of history Tungpientao and vicinity because a starting point for the Nuchen tribe which, under the leadership of Nurhachi, directed its victorious marches, first, to Hsingking or Fengtien and, next, to Peking to set up there the Manchu dynasty in 1662.

This border region of Manchuria was designated as one of the crown lands by the Emperor Kang Hi of the Manchu dynasty and kept open only to his own race. The ostensive reason was to preserve intact the land of sacred racial memories, but in the light of modern knowledge it is known that this part of the country was regarded as an important source of state revenue and as such marked off against inroad. The original homeland of the Manchus was guarded by closing the border to both the Han or Chinese and the Koreans, preserving the traditional life and standards of the Nuchen tribe, and prohibiting the Mongolian hunters to enter the country.

The economic importance of this part of the country derived from the production of medicinal gingseng and gold. Its border had been frequently crossed by those who sought the medicinal herb and the metal. Gingseng which created a keen demand in China under the former or Ming dynasty was supplied from Manchuria. Matienling which is now on the Antung-Mukden Railway was the most important as a source of supply, but when its hillsides had been depleted, the gingseng hunters began to turn eastward to the mountainous area closer to the Korean border which gradually rose in economic importance, gingseng as a matter of fact constituting an important source of state revenue for the Manchu government of Peking. However, the Manchu order for the sequestration of the border region was not successful beyond a point. A number of those who dared to cross the border or bribed their way into the country remained there and in time turned into bandits and the country became their habitat. As time went, these "black knights of green woods" by the accident of their presence became the guardians of the border region which could be entered only at personal risks. Throughout these years of its partial isolation the border region remained a sealed book and except for the medicinal herb and gold guarded by the outlaw colonies, there was no knowledge whatever of all those natural resources that lay there.

Banditry was so rampant that of the total area of 31,647 square kilometers of what forms the Tunghua district only 1,788 square kilometers was under cultivation. Farming, livestock breeding and timber work were possible only where the inhabitants were

willing to pay the levies imposed by the outlaws. The banditry of the region became more systematic and collective after they organized themselves under the leadership of a man who came from Shantung and introduced what was known as "The Great Sword Society." When the Young Marshal of Mukden raised his 'anti-Japan and anti-Manchoukuo" standard in July, 1932, the Tunghua region responded with an army which was estimated to be 160,000 strong. These forces were later overcome by Japanese punitive expeditions, but what remained of them was reorganized and reinforced when Yang Ching-yu in September of the same year entered Manchuria under orders from the Communist Headquarters of China. The forces he organized under his direction numbered more than 2,000 at a time and were known as the "First Independent Division of the People's Revolutionary Forces of the Northeast." Their activities continued for 8 years until their leader, Yang Ching-yu, was tracked down and killed in 1940. What remains of his or allied groups and still at large in the Tunghua district is estimated at only 400.

The natural wealth of Tungpientao was not brough to light before 1933 when a Japanese research expedition under arms entered the country. Mention, however, must be made of the earlier attempts made for exploration of its resources. The first venture in the same direction was made by a British firm of Yingkow shortly after the Russo-Japanese war of 1904-5. In 1907 the South Manchuria Railway Company sent out an exploring party on a small scale. But in either case next to nothing was accomplished in face of the banditry with which the country was infested.

The expedition that was undertaken in 1933 found the country little better as far as the peace was concerned. Obstacles were met on all sides. But the undertaking was successful so far as light was thrown on the mineral deposits around the area of Talitzu and Chitaokow. The glowing accounts brought back by this exploring party were more than confirmed in 1936 when the Tungpientao Natural Resources Investigation office of Hsinking sent out a party to survey the ground with particular regard to iron ore. A large scale party that was despatched in 1938 succeeded in discovery of more reserves of coal and iron ore. In September of the same year the present organization, Tungpientao Development Company, was initiated on a semi-official basis, for the exclusive purpose of developing the huge mineral wealth which had been found in the border area which was acclaimed as "the Saar Basin" of Manchuria.

Today it would be hardly an exaggeration to say that the industrial development of Manchoukuo turns to an increasing extent on the position that Tungpientao will take in the industrial structure of the country. For this border area is now recognized as a major source of supply of coal and iron ore, two essentials to the development of heavy industries. To add to the importance of Tungpientao, the water resource of the river Yalu has been harnessed to supply power to both Manchoukuo and Chosen (Korea). The new power plant which is the second largest in the world and put in operation on August 10, 1941, is situated at Shuifengtung some 300 miles below Linching.

The town of Tunghua, formerly an agricultural mart, is to be the distributing center of coal and iron ore in the current plan for development of Tungpientao. This town, where the administrative offices of the Tunghua Sheng are located, has a population of 50,000, of whom Japanese and Koreans are each 5,000 in number, the remainder being Manchu and Chinese. Parallel with the current industrial program of the Manchoukuo Government, it is now proposed to extend the town to be one of a quarter million population by incorporating neighboring points such as Erhtaokchiang and Wutaochiang. The industrial position of Tunghua is based on the coal reserves which occur at a number of places in the vicinity such as Shijenkow, Yentungkow, Tiechchangtzu, Wutaochiang, and on the iron reserves found at Talitzu and Chitaokow. The original plan was to manufacture pig iron from ore, but under the later plan adopted electric furnace steel is to be made by means of the power to be supplied from the new water power plant at Shuifengtung.

The first step toward this industrial development was seen in the construction of a railroad between Tunghua and Talitzu over a distance of some 50 miles, this line being completed in May, 1940.

Appropriations for Development. The government is directing its effects to exploit this region with an outlay of 1,000 million yuan. The development operations have been entrusted to a company which was organized in September, 1938 with an authorized capital of 30,000,000 yuan, of which 15,600,000 is paid-up. It is known as the Tungpientao Development Company.

Iron. Among the important natural resources of this region are iron and coal. Iron ore deposits are to be found in Tailitsekou, Chitaokou and Laoling. Coal deposits are located in Tiehchangtse, Wutaokiang, Tataokiang, and Yentungkou, while beds of limestone and fire clay are to be found also in the neighborhood of Tailitsekou. The deposits of high grade iron ore in Tungpientao are estimated altogether at 100 million metric tons, while reserves of lower grades are put at several times the amount. The area consisting of Tailitsekou in the east and Chitaokou and Santaokou in the west forms a rich mineral zone with dimensions of fifty kilometers from east to west and fifteen kilometers from north to south.

Coal. Coal deposits in Tiehchangtse, Wutaokou, Pataokou, and Yentaokiang are estimated at 200,000,000 metric tons, an amount reported to be definitely established. Further reserves estimated at 30,000,000 are said to be located in Wankou, Sunshunchen and Suitungkou, situated north of Linkiang.

Tungpientao Development Company. The object of the Tungpientao Development Company is to engage in (a) the mining of iron ore, coal, and other minerals necessary for the iron industry, as well as the sale of these minerals, (b) the manufacture and sale of pig iron, steel and by-products, (c) the manufacture of, and processing of pure iron as well as the sale of products, (d) the operation of business connected with the above, and (4) investments in, and accommodation of funds to enterprises connected with the above. The corporation forms an important branch of the five year industrial programme of Manchoukuo. With the development of its enterprises, the company expects in 1942 to attain an output of 1,670,000 tons of iron ore, 1,300,000 tons of coal, 500,000 tons of pig iron, and 100,000 tons of pure iron.

The first stage of the company's enterprises is to be devoted to the mining of iron ore and coal, along with the manufacture and sale of iron. In the second stage, iron foundries will be established to turn out 500,000 tons of pig iron a year. The figures of the output of iron ore and coal scheduled for the fiscal year 1939-40 are as follows: Iron ore: 350,000, consisting of 200,000 tons at Tailitsekou and 150,000 tons at Chitaokou. Coal: 400,000 tons, consisting of 150,000 tons at Tiehchangtse, 150,000 tons at Wutaokiang, 50,000 tons at Pataokiang and 50,000 tons at Yentungkou.

During the fiscal year 1939-40, transformer stations and engineering works were to be established and other equipment installed in several mining places, while in Erhtaokiang the construction of works for iron, establishments for coking and washing coal, a central power station as well as central engineering works were to be commenced or completed. Mines already being worked or about to be worked supply indices to the subterranean wealth yet to be discovered. The following are brief sketches of the individual mines:

The Tailitsekou Mine is located in Linkiang prefecture, Tunghua Province. Although the district belongs to the region of the Laoling mountain range, a motor bus service is now available between Tunghua and Linkiang, and between Tunghua and Laoling, thanks to the improvement of communications since the foundation of Manchoukuo. The whole line of the Tunghua-Linkiang Railway, which is being constructed for developing Tailitsekou was to be opened to traffic in June, 1940, affording direct access to the mine. Old chronicles record the existence of iron in the district, and toward the end of the Manchu dynasty, attempts were made to exploit the deposits. But scientific exploration of the district began in 1908, when the S.M.R. Geological Institute sent experts to the region. Since that date, several exploring parties visited the locality. Expert investigations established the superior quality of the Tailitsekou ore, and with the formation of the Tungpientao Development Company in 1938, regular exploitation of the mine was commenced.

Tailitsekou ores are hematite, for the most part. More than a dozen hematite veins, ten meters or more in thickness, run mostly in parallel lines, greatly facilitating operations. The ore has an average content of 63 per cent, a grade rarely found in any part of the world. The high quality of the Tailitsekou ore is readily understood, when it is remembered that ore in North America, well known for its quality, does not exceed 51.5 per cent in average content. The deposits of hematite ore in Tailitsekou and neighborhood are estimated at 72,000,000 metric tons. In addition to hematite, magnesite and chamoisite are found in the district, the reserves of the former are estimated at 1,560,000 tons, the figure for the latter being 4,000,000 tons. The chamoisite ore has a manganese content of fifty or sixty per cent serving to remedy the shortage of manganese in Manchoukuo. Regular operation of the Tailitsekou mine began in the second half of 1938 and the goal is the achievement of 200,000 tons before the end of 1940.

Exploitation of the Chitaokou mine, located in a mountain region forty miles south of Tunghua, will be immensely facilitated by the completion of the railway line up to Chian. The S.M.R. Geological Institute despatched experts to the district in 1908, followed after an interval of years by exploring parties in 1933, 1936 and 1937. Exploitation of the mine began with the establishment of the Tungpientao Development Company in 1938. The major ores are hematite and magnesite, with several veins as thick as 10 meters or more. The average iron content of both the hematite and magnesite is 52 per cent. Although the Tailitsekou ores are not so high in quality as Chitaokou hematite and magnesite, this is amply made up for by the high percentage of manganese contained. The mine is in the initial stage of exploitation, operations consisting largely of preparatory work, such as the sinking of shafts and the removal of earth. With the completion of the railway siding from the Meihoko-Chian line in 1939, regular opencut operations were to be commenced. The ore output scheduled for 1939 was 150,000 tons, to be raised to 300,000 tons in a couple of years. For that purpose, necessary equipment, including the construction of a transformer station, engineering works, etc., is being pushed.

The Tiehchangtse colliery situated 25 kilometers southeast of Tunghua, was exploited from time to time by the Manchus in bygone days. With the launching of Manchoukuo's five year industrial programme in 1937, the Manchuria Colliery Company began working the mine, which was transferred to the Tungpientao Development Company in September, 1938, when the new company was inaugurated. Tiehchangtse coal is a semi-anthracite, or bituminous variety of a high grade. The deposits are estimated at 19,000,000 metric tons. The output scheduled for 1939 was 300,000 tons, which was to be increased to 400,000 tons in 1940. Extensions were being pushed with that end in view. In point of immensity of deposits, the Wutaochiang colliery located at a short distance from Tunghua, surpasses any others. The reserves here are roughly estimated at 100,000,000 metric tons. The strong point of the Wutaochiang colliery is that the coal is of superior quality, being a semi-anthracite or bituminous variety. In a survey of coal mining in Manchuria, the Pataokiang, Yentungkou, and other collieries, all worked by the Tungpientao Development Company, are worthy of creditable mention. The mineral resources of Tungpientao, or Tunghua Province, are doubled in value because of the existence of iron ores and coal in comparatively close proximity.

DEVELOPMENT PLAN OF NORTHERN FRONTIER DISTRICTS

Immediate development of the northern frontier districts of Manchoukuo is receiving keen interest due to the growing industrial importance of these districts, possessing as they do fertile farming lands and abundant natural resources.

It is evident that these districts which have been neglected because of their remoteness have great potentialities. The frontier district development policy is an ambitious scheme entailing the total expenditure of one billion yuan over a period of years. The fundamental parts of the plan is scheduled to be completed by the end of 1941. Of the total expenditure, the Government will disburse 200 million yuan, the special corporations, another 200 million yuan and the South Manchuria Railway Company, 600 million yuan.

The plan closely interwovened with the five-year industrial programme and the colonization policy, provides for better control and expansion of traffic and communication facilities, construction of cities, the completion of electric, water, riparian and defence works, increase of the output of farm and livestock products as well as the development of other industries, improvement of facilities for distributing and concentrating various merchandise and materials, and also for ensuring full and free supply of labor and preventive measures against epidemics.

Details of the Plan

Adjustment and Renovation of Traffic, Communication Facilities. The sum of 600 million yuan will be allotted for the repair of railway lines, the construction of new railroads, and for provisions against flood disasters, against air raids, and connections with other traffic facilities.

Importance will be placed upon the improvement of motor roads, and to the linking of them with railways and other transport facilities. Measures will also be instituted against water disaster, for air defence, for passage through marshy districts and against winter and rainy seasons. About 7,000 kilometres of new roads will be laid and some 5,800 kilometres of roads will be repaired.

Concerning motorcars, special consideration will be paid to service stations, selection of standard cars, increase in their number, training of chauffeurs and guards, and improvement of their quality.

Concerning communications, trunk lines will be turned into cables. The northern districts especially are to receive the greatest attention upon this point. About 40,000 kilometres of wired telephone facilities will be created.

Concerning radio broadcasting, special attention will be paid to the promotion of culture in the northern districts, about 50 radio towers and some 2,000 listening-in stands to be created besides new radio stations.

Concerning postal administration, postal control bureaus will be created, and altogether 30 postal administrative offices established; mobile post-offices are also planned; improvement of mail facilities will be expedited by coordination of railways, motorcars, airplanes, ships, etc.

Concerning aviation, basic air establishments and equipment will be improved, the number of state-owned aerodromes increased, urgent improvements made in air routes, airline employees trained, and local airfields expanded.

Concerning riparian work, the northern districts will be given foremost attention. Transport will be improved upon rivers. In Hailar and other big cities, provision will be made against flods, Sungari navigation will be bettered, the Mulin river (near the Mongolian border) will be kept from overflowing, shipbuilding yards are to be improved and seamen's institutes created. The sum of 13 million yuan is to be appropriated for this purpose.

Electricity, Water Supply, City Planning. Culture in the northern districts is to be encouraged, by expanding power supply, so that all outlying regions may be electrified. Thirty power plants are to be created on an outlay of 100 million yuan.

Concerning the water supply, city waterworks will be expanded, facilities for the supply of well water are to be constructed at a total cost of 9 million yuan.

Concerning city planning, public facilities are to be given foremost attention, roads improved on total disbursement of 500 million yuan.

Colonization. According to the general principle for colonizing the northern frontier districts, Japanese immigrants, eligible Koreans and Manchus will be settled in zones contiguous to the frontier. In particular uninhabited areas will be exploited by young pioneers and colonists for reinforcement of the northern frontier, while 230,000 hectares of arable land will be cultivated on an outlay of 22,500,000 yuan.

Labor. While rationalizing the supply of labor necessary for development of the northern frontier districts, the Government will provide against any inordinate scramble for workers, for stipulation of wages, for an adequate supply of recreative comforts for workers, in order to maintain and preserve the labor supply for the purpose of smooth progress of construction. One million yuan is allotted for lodging workers during this fiscal year.

Production and Concentration of Materials. Concerning agrarian and marine products, an increase in output is to be encouraged. Land to the extent of 370,000 hectares will be cultivated. For an increase in the volume of production, laboratories will be extended, seeds and excellent saplings are to be distributed, vermin are to be exterminated, methods of rearing plants to be improved, all for rationalization of farm operations. Farmers' cooperative societies are to be created for increased production of oats, hay, barley, wheat, paddy rice, vegetables and other edibles.

Concerning pastoral products, cows, swine and chickens are to be raised in larger numbers. Excellent breed of these animals and fowls should be maintained, on an appropriation of 8 million yuan. Another sum of 25,000 yuan is allotted for encouragement of marine production.

Concerning the concentration of various materials, adjustment of distributing organs and warehousing and supply of construction materials, the fundamental principle of northern development is to be always kept in mind. For this purpose, central and local adjustment commissions are to work in unison for a well- adjusted supply of materials. Bonded warehouses are to be established first at Mutankiang and Chiamussu.

Construction materials will be supplied first to the northern districts. In order to encourage private industries, encouragement should be given to manual industry, repair work, cement manufacture, brick making, livestock and marine enterprises, coal and other mining activities, charcoal burning, and such local industrial activities.

Thorough Air Defence. Concerning national defence work in the northern frontier districts, important cities and their vital organs will be more strongly protected, and various measures will be enforced for the maintenance of civil life.

Sanitation and Prevention of Epidemics. Concerning sanitation, preventive measures will be increased against epidemics, especially in the northern regions.

In order to track origins of epidemics and prevent epidemics from spreading anti-epidemic institutions and hygienic laboratories should be established at Mutankiang, Chiamussu, Heiho, Hailar, Tungan, Peian, Tumen, etc., while in chief hsiens and Mongol banners, hygienic experts and assistants will be stationed, equipped with anti-epidemic materials.

At 35 spots including the administrative seats of Mutankiang, Tungan, Sankiang, Heiho, Chientao, Peian and North Hsingan Provincial Governments, the Central Government, the South Manchuria Railway Company and the Manchoukuo Red Cross Society, are to establish their respective hospitals and clinics as quickly as possible, to meet civic requirements.

In order to diffuse anti-epidemic and other medical ideas consideration will be paid to the adequate supply of sanitary materials such as vaccine serum and other medicaments at 50 cities and other important administrative centres.

Unification of Hsieh-ho-hui Organs. The Hsieh-ho-hui (Concordia Association) in the northern frontier districts is chiefly to improve various organs for enlisting voluntary cooperation on the part of the local populace and for thorough propagation of anti-Communism, among the people. Two new provincial headquarters of the Society are to be created, in addition to 17 hsien headquarters.

Other Provisions. In order to remove any complaint about scarcity of housing provisions, official residences and domiciles will be built for those working in the afore-mentioned provincial, hsien, and other administrative organs. For business liaison, assembly and recreation ,various halls and clubs will be created. Obstetric clinics, nurseries, gymnasia, libraries, boarding houses and houses for recreation and amusement, will be built.

Altogether 2,500 official residences are to be prepared for families, 13,000 houses for bachelors, 7 clubs, 400 civic buildings for recreation, and 800 radio sets and gramophones are to be distributed together with 1,200 chess boards and 130,000 magazines. Two sanatoria are also to be built. The sum of one million yuàn will be appropriated for this purpose so vital for inspiring Manchurian pioneers with fresh vigor for forthcoming construction in East Asia.

Outline of War-time Economic Measures

An outline of the war-time emergency economic measures drafted by the Government for the purpose of further readjusting and strengthening the wartime industrial and economic structures in keeping with the outbreak of the Greater East Asia War was explained.by Tadayuki Furumi, Vice-Minister of Finance and Commerce, at the conference of high Government officials, representatives of the Kwantung Army and leading executives of special and semi-special corporations held on December 22, 1941 at Hsinking.

Policy. The Government's wartime emergency economic measures, Vice-Minister Furumi explained, are aimed at readjusting and strengthening further the industrial and economic wartime systems to meet the emergency situation arising as a result of the outbreak of the Greater East Asia War, securing full use of domestic resources in which Manchoukuo is self-sufficient, and at improving economic coordination with various regions on the continent, as well as directing various economic plans towards meeting the wartime emergency needs of Japan, while taking into consideration the special position of Manchoukuo from the standpoint of national defence, thereby contributing towards overcoming speedily the wartime emergency situation.

Main Points

1. As regards the methods of controlled economy, further special means will be devised with the object of establishing effective economic control conforming to the conditions of the people and economic conditions so as to concentrate and promote coordinated economic strength in the direction of execution of wartime economy.

2. The supply of materials dependent upon Japan for expanding productive capacity will be limited to an extent that can be expected in the preparation of wartime goods mobilization and transportation plans in Japan. Efforts will be made to carry out plans for increasing productive capacity chiefly with materials produced at home, while at the same time expansion in productivity will be limited to industries which are urgently necessary in wartime, and which can produce immediate results.

The investigation of essential materials in stock, collection of such goods and the use of substitutes will be thoroughly carried out in order thereby to contribute towards the execution of plans for expanding productive capacity.

3. Full attention will be paid to effecting positive increase in the output of agricultural products and to ensuring smooth gathering of crops. At the same time efforts will be made to strengthen further the regulation of distribution in the country in order thereby to increase the reserve capacity for exports to Japan.

As regards commodities for the supply of which Manchoukuo has hitherto been dependent on Japan, measures will be devised to make the country become self-sufficient in such goods as far as possible and also to revert to the consumption of agricultural products in which Manchoukuo is self-sufficient.

4. Attention will be paid to raise as much as possible the percentage of domestic self-sufficiency in daily necessaries, while at the same time the regulation of distribution of such goods will be strengthened.

5. Interflow of goods between Manchoukuo, China and Chosen

and the mutual demand and supply of labour will be promoted to conform to the wartime emergency situation, while coordinated plans concerning materials and transportation will be devised.

6. As regards goods which Japan vitally needs, the regulation of their use and consumption will be strengthened, while positive plans for increasing production will be enforced so as to render greater contribution to Japan.

Furthermore, among the enterprises of important industries whose fullest operation has not been possible owing to the shortage of coal, and whose produce is in greater urgent demand, the operation of comparatively non-urgent enterprises will be restricted, while full operation of vitally important enterprises will be effected by increasing coal shipments from North China in order thereby to render greater contributions to Japan particularly in the supply of iron and steel, coal, liquefied fuels, light metals, non-ferrous metals and agricultural products.

7. In carrying out the functions of war-time economy separate and appropriate measures are to be devised covering State finance, goods, private finance and distribution, in line with the various measures affecting the phases of production mentioned above, and every possible step is to be taken for augmenting the coordinated economic strength of the country. In particular, suitable steps are to be taken to prevent inflation.

8. Comparatively non-urgent and peace-time affairs of both administrative organs and enterprises are to be readjusted, and the personnel connected therewith is to be transferred to other fields in urgent need of men. Furthermore, Japanese requests for men are to be met as far as possible.

9. In order to ensure smooth execution of the emergency economic steps as outlined herein, the fullest attention is to be paid to the adoption and operation of a Japan-Manchoukuo war-time emergency transport plan.

10. War-time measures are to be devised for adopting and enforcing a Japan-Manchoukuo-China clearing program in line with this outline of emergency economic measures.

11. Steps are to be taken for holding discussions between Japan and Manchoukuo, and between Manchoukuo, Korea and China for the immediate enforcement of the emergency economic measures as outlined above.

In addition to the quick formulation of industrial and economic emergency measures with the object of augmenting Manchoukuo's contributions to Japan, the necessary plans are to be completed for maintaining the power of our domestic economy over a protracted period in consideration of the special position of our country, which requires the maintenance of unity between the above emergency economic measures and the various policies and measures of Japan under the wartime situation, and which requires harmonization with the needs of a protracted war and any changes in the situation.

CHAPTER VII

STATE FINANCE

Historical

Each province of Manchuria formerly had its own financial administration which was conducted in an unsystematic fashion. The budgets were made public, classified by province, districts, and municipalities, but executive duties were left mostly to the discretion of the House of Changs or to provincial and district chieftains.

In matters of taxation, the Finance Board, the highest financial agency in each province, commissioned local tax offices to collect revenues, but each province had its own Business Board, Military Board, and Education Board, each of which enjoyed the privilege of collecting part of the levies. Rates and classifications also varied considerably. Furthermore, the Provincial Finance Boards exercised only limited control over the district and municipal financial agencies.

Manchuria's finances were naturally in a chaotic condition. Deficiencies in revenue were met as a rule by inflated circulation of paper money by the issue banks, with the result that the position of the issuing banks often became unsound. Public confidence in their paper notes diminished and their value was often subject to violent fluctuations.

When the new government was set up at Hsinking on March 1, 1932, no time was lost in instituting reforms. The administration of the State's revenues and all other matters of finance were placed in the hands of the central agency of public finance, the Department of Economics. At the same time, for the supervision of State expenditures, the Accountants' Bureau was provided.

As the next step toward financial stability, laws were introduced, on June 13, 1932, inaugurating the Central Bank and creating a State currency. The unit for currency was fixed on a uniform basis, the operation of finance and currency was entrusted to the strong central banking institution, and the State treasury was placed under unified control, all of which prepared the way for the introduction of the bond issue policy. Further, all maritime customs offices of Manchuria, with the single exception of Dairen, were taken over, the provincial finance boards were abolished, and the Taxation Superintendence Bureau created. Central state finance was thus secured on a sound basis by the extension of efficient control over the tax offices and by drawing a distinction between state and local taxes.

Budget System

With the independence and unification of state finance thus achieved, the first budget was drawn up on October 18, 1932. Later developments in the budgetary system were the division between general and special accounts, a reduction of reserves at the State treasury, the institution of a sinking fund system, and unification of the budgetary operations of local administrative offices under a control system. The former tax collecting agencies were taken over, and old rates of imposition were followed as a provisional measure for some months after the establishment of the State. Gradually steps were taken to adjust certain taxes and to abolish those where the burden was excessive or irrationally alloted.

Now that this first program of tax adjustment has been completed, a second plan is under consideration, the objective being a taxation system adjusted to the changed conditions of the country.

Customs revenues constitute the main source of Manchoukuo's income. When the State first came into existence, it was under the pressing necessity to adjust and consolidate the customs system. The Government carried out certain provisional revisions of the export and import tariffs from July, 1933, to November, 1935, thus gradually rectifying the system with regard to its inequitable points and along lines dictated by the industrial policies of the country. The network of customs was extended, the personnel of the staffs improved, and the operation of bonded import institutions systematized. These measures were followed in January 1938 by a law for the consolidation of customs along modern lines.

Three Basic Functions

To summarize, the new State of Manchoukuo has attained its present stage of development through the establishment of peace and order as well as financial stability under the first stage of constructive work up to the year 1936. In the second stage since 1937, the national policy has no longer been confined to the principles of securing sound finance alone, but has moved in the direction of rational and progressive development. These rational and progressive principles of state finance may be placed in three divisions, based on divisions of state activities. (A) government finance, (B) welfare and material resources development finance and (C) enterprise finance.

Government finance provides the administrative expense required for the maintenance of the national policy. The second is to provide for the administrative expenditures involved in the promotion of national welfare and material development with a view to stabilizing and improving the national economic life of the country. ''Enterprise finance'' proposes, on State initiative, to provide for the expense incurred in the operation of State enterprises or controlled industries.

Government finance will follow the principles of sound economics as far as possible, avoiding budgetary deficiencies and financial expansion. Welfare and material resources development finance will be fundamentally based on bonded borrowings, against which taxation will be' instituted to provide definite sources of revenue for eventual redemption, thus keeping the condition of State finances unimpaired as a whole. Enterprise finance will also be conducted through public borrowing, but in a manner to provide growth and development without external assistance.

While financial operations are thus internally classified, they are at the same time externally unified and co-ordinated, and both central and local finances are considered from a consolidated national standpoint. In addition to the principle of maintaining the elasticity of the whole financial structure in order to meet the current emergency conditions of the country, the internal taxation system and the machinery for collection have been established to meet the requirements of wartime fiscal operations. In the field of State monopolies, the system has been improved to meet the requirements of State enterprises and national defense programs. Thus, it should be clear that Manchoukuo's finances have been built upon a firm and sound foundation.

After the establishment of Manchoukuo it was necessary to compile the budgetary estimates on a monthly basis. Beginning with the year 1932, the fiscal year was fixed for twelve months from July 1 of each year, but in 1936 this was changed, and the fiscal year now corresponds to the calendar year.

Budgetary Policy

In determining the budgets, two main principles have been followed. On the revenue side, no increase in taxation would be made and public borrowing avoided as far as possible. On the expenditure side, preference should be given above all to maintaining peace and order. Industrial development and general welfare should receive attention only when there was a surplus of funds available for the purpose. These principles were followed until 1937 when the country entered upon the second stage of constructive development. A departure was then made from the non-borrowing policy in favour of a more progressive policy under which State bonds are to be issued to provide funds for the betterment of national life and for the development of industries.

State expenditures have increased yearly, and taking the year 1932 as 100, expenditures for 1940 stood as high as 1,145, a figure well indicative of the rapid financial growth of the country, accompanying the development of its national power.

Composition of the Budget. Manchoukuo's budget is composed of General Accounts and Special Accounts, the latter being carried under 21 categories. Details of revenue and expenditures in these budgets are contained in accompanying tables.

Table 1. YEARLY COMPARISON OF STATE FINANCE

(Unit: ¥1,000)

(A) Revenue

	General Account	Special Account	Total	Amount not Materialized	Net Total	Index
1932	137,957	41,632	179,589	29,815	149,774	100
1933	170,542	113,840	284,382	69,995	214,387	142
1934	199,930	220,081	420,001	80,706	339,305	225

(Continued)	General Account	Special Account	Total	Amount not Materialized	Net Total	Index
1935	106,080	131,518	237,598	54,803	182,795	121
1936	220,823	247,829	468,652	98,595	370,057	246
1937	283,148	691,118	974,266	342,610	631,656	420
1938†	304,555	1,128,837	1,433,482	541,433	892,059	592
1939†	403,378	1,353,957	1,757,335	726,638	1,030,697	674
1940†	573,555	2,025,228	2,598,783	946,940	1,651,842	1,100
1941†	649,220	1,849,077	2,498,297	783,769	1,714,528	1,145
1942†	823,400	1,750,000	2,573,400	—	—	—

(B) Expenditure

1932	137,957	41,632	179,589	43,302	136,287	100
1933	170,542	113,840	284,382	83,211	201,171	148
1934	199,930	210,063	409,993	78,106	331,887	244
1935	106,080	97,991	204,071	18,609	185,462	136
1936	220,823	190,163	410,986	45,609	365,377	267
1937	283,148	656,223	939,371	299,291	640,080	470
1938†	304,555	1,088,572	1,393,127	503,388	889,739	650
1939†	403,378	1,288,262	1,691,639	646,525	1,044,814	770
1940†	573,555	1,927,475	2,501,030	861,168	1,639,862	1,200
1941†	649,220	1,758,175	2,407,395	706,471	1,700,925	1,248
1942†	823,400	1,657,000	2,480,400	—	—	—

Note: † Budgetary estimates excluding supplementary accounts.

Table 2. STATE REVENUES CLASSIFIED

(M¥1,000)

(A) General Account

Ordinary:	1935†	1936	1937*	1938*	1939*	1940*
Taxes & Duties	77,437	183,627	153,029	172,957	203,293	323,853
Customs Duties:						
Import Duties	35,973	76,363	72,827	85,156	95,144	160,959
Export Duties	5,856	13,133	13,351	10,769	11,729	10,203
Total incl. others	43,897	93,535	89,658	96,448	107,551	171,907
Inland Tax:						
Land Tax	4,265	9,533	9,464	10,436	11,056	9,114
Opium Tax	—	2,434	2,580	2,326	2,533	1,955
Income Tax	—	—	—	1,440	2,041	3,388
Liberal Profession Tax	—	—	—	200	176	205
Business Tax	4,277	9,585	10,003	14,181	15,625	24,003
Corp. Business Tax	3	474	1,230	3,686	5,008	16,618
Bourses	—	—	—	302	455	78
Production Tax	3,946	8,761	7,034	8,887	10,724	12,440
Taxes on Mining Lots	168	421	377	583	700	951
Taxes on Mineral Products	409	613	840	730	860	1,283
Stockbreeding Tax	1,184	2,816	2,210	—	—	—

(Continued)	1935†	1936	1937*	1938*	1939*	1940*
Foods, Drink & Amusements Tax	—	—	—	—	—	5,122
Tobacco Tax Cigarettes	5,157	13,117	14,048	16,225	23,100	53,380
Others ..	208	391	289	289	300	754
Alcoholic Liquor Tax ..	2,202	8,156	9,210	9,780	13,512	14,536
Consolidated Tax Cotton Goods	401	763	764	1,166	1,217	1,229
Wheat Flour	831	2,277	2,324	2,747	2,884	—
Cement	216	990	1,274	1,587	2,332	2,556
Contract Tax	—	—	—	1,934	3,209	3,758
Immovables Registration Tax	—	—	—	10	10	576
Total incl. others ..	33,540	90,092	63,371	76,509	95,742	151,946
Stamp Receipts	4,266	9,858	9,097	9,888	14,987	19,180
Monopoly Profits	6,373	22,708	44,368	52,325	76,608	56,007
Combined Total incl. others	93,386	223,719	211,632	240,335	299,837	417,770
Extraordinary:						
Transferred From Special Account	679	3,051	6,004	6,518	13,547	43,015
National Loan	5,000	—	15,000	40,000	65,000	75,000
Surplus	28,669	32,933	10,416	13,000	20,000	30,000
Combined Total incl. others	39,382	39,891	36,466	64,219	103,540	155,785
Grand Total	132,768	263,610	248,099	304,555	403,378	573,555

Note: * Budget Estimates, exluding Supplementary Budget.
† The fiscal year 1935 covers the six months only from July to December 31, a revision having been effected in 1936 to correspond the fiscal year with the calendar year. Statistics for 1941 are not released public.

(B) Special Account (Revenue)

	1936	1937*	1938*	1939*	1940*	1941*	1942*
Redemption Fund of National Loans	53,620	120,629	96,940	116,424	100,081	120,621	138,978
Pension	—	—	—	5,966	7,429	10,496	14,541
Capital Construction Bureau	7,666	5,232	2,147	3,200	6,959	5,684	—
Supplies	8,641	7,273	17,244	77,073	89,130	89,036	89,154
Northern Districts Development	—	—	—	—	86,900	85,000	—
Coordination Fund for Local Finance	—	—	42,700	37,575	65,160	37,017	57,925
National Loan	—	110,735	366,916	396,428	506,880	385,598	432,112
Construction of Hydro-Electric Power Station .	—	3,151	16,382	30,567	32,017	39,730	37,444

(Continued)

	1936	1937*	1938*	1939*	1940*	1941*	1942*
Scientific Research Enterprises	—	—	2,166	4,849	6,668	6,433	7,108
Govt. Officials Mutual Relief	—	—	2,044	3,881	6,202	8,634	12,073
Army Clothing Depot	4,300	4,623	7,403	8,567	—	—	—
Arsenal	2,444	3,300	12,329	15,723	12,240	16,480	17,085
Army Supplies Depot	—	—	—	—	15,508	11,645	13,800
Horse Race	—	2,674	4,352	5,926	10,085	16,060	18,404
Monopoly	83,754	113,248	158,751	195,904	393,209	382,093	323,546
Opium Eradication	—	—	—	—	126,160	103,951	94,216
Colonization	—	—	—	42,314	79,960	73,369	69,100
Assistance for Domestic Settlers	—	—	—	—	—	—	11,030
Adjustment Fund for State Properties	6,090	5,011	5,733	10,552	20,761	23,305	17,535
Investments	25,004	91,448	326,215	280,327	252,695	219,982	202,726
Railway Loans	51,904	48,709	14,778	8,280	10,352	—	—
State Forestry Enterprise	10,747	14,113	25,964	74,468	112,392	120,138	93,504
Gold Refining	300	1,500	4,478	—	—	—	—
Postal Administration	6,084	5,898	12,025	14,825	26,283	36,381	41,249
P.O. Life Insurance	—	—	989	3,066	6,131	10,327	17,368
River Improvement and Irrigation Enterprise	—	—	1,800	4,968	5,534	4,000	4,101
Prisons	—	5,415	7,579	13,076	18,673	22,253	16,229
Tatung Harbour Construction	—	—	—	—	14,342	9,498	11,500
Grand Total	260,553	542,959	1,128,936	1,353,957	2,025,228	1,849,077	1,750,000

Note: * Budget Estimates.

Table 3. STATE EXPENDITURES CLASSIFIED
(M¥1,000)

(A) General Account

Dept.	1938	%	1939	%	1940	%	1941	%	1942	%
Imp. Household	2,100	0.69	2,100	0.52	2,050	0.35	2,050	0.32	3,060	0.37
Gen. Aff. Bd.	103,178	33.88	131,381	32.50	210,275	36.66	186,754	28.77	246,504	29.94
People's Welfare	14,941	4.91	19,226	4.75	31,925	5.56	37,246	5.74	45,837	5.56
Public Peace	111,905	36.74	137,722	34.00	181,011	31.56	221,112	34.06	236,219	28.69
Finance	27,051	8.88	35,673	8.80	62,390	10.88	84,156	12.96	114,894	13.95
Industry	12,042	3.95	20,879	6.59	(abolished 1940)					
Agricultural Development	(established 1940)				43,799	7.63	69,943	10.77	79,999	9.72
Communications	21,798	7.15	44,007	10.90	28,741	5.01	34,273	5.28	82,814	10.06
Justice	11,540	3.78	12,450	3.09	13,363	2.35	13,680	2.11	14,071	1.71
Grand Total	304,555	100.00	403,378	100.00	573,555	100.00	649,220	100.00	823,400	100.00

(B) Special Account (Expenditure)

	1935†	1936	1937*	1938*	1939*	1940*	1941*	1942*
Redemption Fund of Nation Loans	—	1,057	120,629	69,940	116,424	100,081	120,621	138,978
Pension	—	—	—	—	3,769	4,646	6,524	9,647
Capital Construction Bureau	4,839	6,201	5,232	2,147	3,200	6,595	5,684	—
Supplies	4,873	8,500	7,155	17,044	76,578	89,130	89,036	89,154
—	—	—	—	—	—	86,900	85,000	—
Coordination Fund for Local Finance	—	—	—	42,700	37,575	65,160	37,017	57,925
National Loan	—	—	110,735	366,916	396,428	506,880	385,598	432,112
Construction of Hydro-Electric Power Works	—	—	3,149	16,382	30,566	32,017	39,730	37,444
Scientific Research Enterprises	—	—	—	2,166	4,849	6,668	6,433	7,108
Govt. Officials Mutual Relief	—	—	—	1,407	2,094	4,886	7,148	10,162
Army Cloth Depot	1,914	3,576	4,758	7,480	8,668	—	—	—
Arsenal	1,281	2,444	3,300	12,329	15,723	12,240	16,480	17,085
Army Supplies Depot	—	—	—	—	—	15,606	11,600	13,800
Horse Race	—	—	1,311	2,302	2,866	2,931	3,360	3,985
Monopoly Bureau	—	—						
Salt Administration	5,880	15,419						
Monopoly Enterprises	—	—	78,890	122,778	139,536	335,076	333,949	276,814
Opium	18,968	28,232						
Oils	5,640	17,024						
Opium Eradication	—	—	—	—	—	101,104	87,867	79,452
Colonization	—	—	—	—	42,313	79,960	73,369	69,100
Assistance for Domestic Settlers	—	—	—	—	—	—	—	11,030
Adjustment Fund for State Properties	2,247	2,990	4,144	5,122	10,552	19,961	23,040	17,321
Investments	10,909	23,875	91,448	326,215	280,327	252,695	219,982	202,726
Railway Loans	32,166	50,501	48,709	14,778	8,280	10,352	—	—
State Forestry Enterprise	—	9,161	14,113	24,443	74,251	112,087	119,846	93,504
Gold Ore Refining	—	87	1,500	5,388	—	—	—	—

(Continued)

	1935†	1936	1937*	1938*	1939*	1940*	1941*	1942*
Postal Administration	2,054	5,024	5,898	12,025	14,825	26,283	33,800	40,707
P.O. Life Insurance	—	—	—	631	1,393	3,825	4,994	7,101
River Improvement & Irrigation Enterprises	—	—	—	1,800	4,968	5,534	4,000	4,101
Prisons	—	—	5,115	7,579	13,076	18,763	22,253	26,229
Tatung Harbour Construction	—	—	—	—	—	14,342	9,498	11,500
Grand Total ..	90,771	174,901	506,086	1,088,573	1,288,262	1,927,475	1,758,175	1,657,000

Note: * Budget estimates, exclusive of supplementary budgets. As the result of changes in the administrative system enacted since July 1, 1937, the principal organs of the Civil Dept. and the Educational Dept. were abolished and incorporated into the Dept. of People's Welfare. Several other changes were also effected. These consisted of the transformation of Finance to the Dept. of Economics, and the Dept. of Mongolian Administration to the Hsingan Office.

† The fiscal year 1935 covers the six months only from July to December 31, a revision having been effected in 1936 to correspond the fiscal year with the calendar year.

NATIONAL DEBT

The national debt of Manchoukuo outstanding at the end of 1940 amounted to 1,726,000,000 yuan, comprising 1,616,000,000 yuan in national bonds and 110,000,000 yuan in loans. Of the total bonds, 991,000,000 yuan were in Manchoukuo currency and 624,000,000 yuan in foreign currency, while the loans raised were 98,000,000 in Manchoukuo currency and 11,000,000 yuan in foreign currency.

Classified according to accounts of bonds, the general accounts amounted to 234,000,000 yuan, all in Manchoukuo currency, while the special accounts totalled 1,381,000,000 yuan, comprising 757,000,000 yuan in Manchoukuo currency and 624,000,00 yuan in foreign currency.

With regard to loans raised by the Manchoukuo Government, the general accounts amounted to 2,000,000 yuan all in Manchoukuo currency, and the special accounts totalled 107,000,000 yuan, involving 95,000,000 yuan in Manchoukuo currency and 11,000,000 yuan in foreign currency. New national bonds issued by the Manchoukuo Government during last year totalled 737,000,000 yuan, of which 537,000,000 yuan were subscribed for in Manchoukuo and 200,000,000 yuan in Japan, while new loans raised by Manchoukuo amounted 43,000,000 yuan, all advanced by the Central Bank of Manchou.

Subtracting bonds redeemed, bonds issued last year showed a net increase of 754,000,000 yuan, while loans made to Manchoukuo decreased by 335,000,000 yuan, due to the transfer of loans into bonds and the use of the sums borrowed to repay loans.

By summing up the bonds issued by and advances made to the Manchoukuo Government last year, the national debt of Manchoukuo last year increased by 409,000,000 yuan as compared with the corresponding period of the preceding year.

Table 4. NATIONAL LOANS & BORROWINGS OUTSTANDING (M¥1,000)

	Bonds			Borrowings			Grand Total
	Internal	External	Total	Internal	External	Total	
1936 (Dec.) ..	92,675	154,000	246,675	61,700	16,100	77,800	324,475
1937 (June) ..	118,175	179,000	297,175	42,500	14,100	56,600	353,775
1938 (June) ..	298,175	243,000	541,175	62,555	14,000	76,553	617,730
1938 (Dec.) ..	348,175	334,250	682,425	164,493	12,000	176,493	858,918
1939 (Dec.) ..	454,175	407,900	862,075	445,086	10,000	455,086	1,317,161
1940 (Dec.) ..	991,665	624,459	1,616,124	98,335	11,807	110,142	1,726,267
1941 (Mar.) ..	981,665	714,009	1,695,674	144,795	11,172	155,968	1,851,063

Table 5. DETAILS OF OUTSTANDING NATIONAL LOANS (End of 1940) (Unit: M¥1,000)

(A) General Account

	Rate:	Date Issued	Amount	Outstanding	Date of Redemption
Central Bank of Manchou	5%	Apr. 26, '33	33,000	33,000	Apr. 25, '43
Old Regime Debts Readjustment ..	3%	Sept. 27, '33	5,998	5,998	June 30, '53
Custom Officers Betterment	5%	Apr. 30, '34	3,599	3,599	Apr. 30, '44
State Foundation Grant	5%	July 3, '35	8,150	8,150	July 3, '60
Readjustment (1st)	4%	Nov. 20, '36	1,624	1,624	Nov. 20, '46
" (2nd)	4%	May 15, '37	18,021	18,021	May 15, '47
Imperial Property Loans	4%	Apr. 1, '37	5,500	5,000	Apr. 1, '87
Former Mongol Monarch	4%	Jan. 1, '39	6,000	6,000	Dec. 31, '88
" (2nd)	4%	Jan. 1, '40	2,490	2,490	Dec. 31, '89
Industry	4%	Apr. 14, '40	30,000	30,000	Apr. 15, '60
Total	—	——	234,382	234,382	——

(B) Special Account

	Rate: %	Date Issued	Amount	Out-standing	Redemption
Szucheng Ry. Loan	5	Dec. 17, '15	5,000	3,559	May 1, '56
3 Rys. Purchase Loan	6	Dec. 26, '33	11,928	11,928	Dec. 1, '83
1st Investment ......(¥)	4	Aug. 20, '34	¥10,000	8,800	Aug. 20, '47
1st N. Manchuria Ry. (¥)	4	Apr. 25, '35	30,000	29,550	Apr. 25, '45
2nd M. Manchuria Ry. (¥)	4	Aug. 15, '35	30,000	26,700	Aug. 15, '45
3rd N. Manchuria Ry. (¥)	4	Feb. 5, '36	30,000	29,850	Feb. 5, '46
4th N. Manchuria Ry. (¥)	4	Aug. 1. '36	30,000	30,000	Aug. 1, '46
Adjustment (1st)	4	Nov. 20, '36	28,376	28,376	Nov. 11, '46
1st Industrial ....(¥)	4	Aug. 23, '37	25,000	25,000	Feb. 1, '47
Adjustment (2nd)	4	May 15, '37	1,979	1,979	May 5, '47
2nd Industrial ......(¥)	4	Aug. 23, '37	20,000	20,000	Aug. 1, '47
2nd Investment (3rd)	4	Dec. 4, '37	80,000	80,000	Dec. 1, '47
3rd Investment (4th)	4	Mar. 2, '38	100,000	100,000	Mar. 2, '48
4th Investment (5th)	4	Dec. 27, '38	50,000	50,000	Dec. 27, '48
1st Investment ......(¥)	4	Feb. 15, '39	50,000	50,000	Feb. 15, '51
1st Hydro Electric ..(¥)	4	Apr. 10, '39	50,000	50,000	Oct. 10, '51
2nd Investment (1st) (¥)	4	Apr. 20, '39	50,000	50,000	Apr. 20, '51
3rd Investment (1st) (¥)	4	Dec. 20, '39	50,000	50,000	Jan. 15, '53
4th Investment (1st) (¥)	4	May 25, '39	50,000	50,000	May 25, '55
5th Investment (6th)	4	Dec. 20, '39	100,000	100,000	Dec. 20, '49
6th Investment (7th)	4	June 20, '40	50,000	50,000	July 20, '50
7th Investment (10th) ...	4	July 25, '40	20,000	20,000	July 25, '50
4th Investment (2nd) (¥)	4	July 25, '40	50,000	50,000	July 25, '55
5th Adjustment (11th) ...	4	Aug. 26, '40	65,000	65,000	Aug. 26, '50
5th Investment (1st) (¥)	4	Oct. 5, '40	50,000	50,000	Oct. 15, '55
1st Tungpientao (12th) ..	4	Oct. 10, '40	60,000	60,000	Oct. 10, '50
5th Investment (2nd) (¥)	4	Dec. 5, '40	50,000	50,000	Dec. 5, '55
1st Land Dev'mt (13th) ..	4	Dec. 5, '40	65,000	65,000	Dec. 5, '50
1st Hydro Electric (14th)	4	Dec. 16, '40	30,000	30,000	Dec. 16, '50
2nd Land Dev'mt (15th) .	4	Dec. 20, '40	60,000	60,000	Dec. 20, '50
8th Investment (16th) ..	4	Dec. 25, '40	35,000	35,000	Dec. 25, '50
Total		—	1,387,283	1,381,742	—

Note: (¥) represents Japanese Currency

The 1941 Fiscal Budget

The total sum of the general accounts budget for the fiscal year 1941 amounts to 649,220,000 yuan. The special accounts budget reaches 1,849,077,000 yuan in revenue and 1,758,175,000 yuan in expenditure. The total net accounts amount to 1,714,527,000 yuan in revenue and 1,700,524,000 yuan in expenditure. The compilation of the budget, according to the Ministry of Finance and Commerce observes the policy of further concentration on essential enterprises for perfection of national armaments and stabilization of people's life as compared with the 1940 fiscal budget. Parallel with retrenchment of expenditure, ordinary revenue has been planned to be increased and bond issues checked, for coordination of finance with the policies for funds, goods, and manpower.

In the revenue accounts the total amounts to 563,546,000 yuan, consisting of ordinary accounts of 475,176,000 yuan and special accounts of 88,370,000 yuan.

Much attention was placed in the 1941 budget in increasing agricultural production, ensuring smooth marketing of agricultural products, boosting the output of iron and upon securing an adequate supply of labor, which demand the greatest attention under the current emergency. In consequence, the budgetary appropriations for the Department of Finance and Commerce and the Department for Agricultural Development were increased considerably. On the other hand, sizeable cuts were unavoidably made in the estimates of the Department of Communications, the Department of Justice, the Department of People's Welfare, and of the General Affairs Board.

In the general accounts a ten per cent cut was made in the fixed expenditures and the standard budget was restricted to 320,000,000 yuan. The new budgetary demands of all departments totalling 610,000,000 yuan, were reduced by more than 50 per cent in the first appraisal, but 10,000,000 yuan was added to the revised estimates in the final appraisal. The total budget, including both the standard budget and new demands, was thus curtailed to 650,000,000 yuan, or an increase of 80,000,000 yuan over the original draft budget for the 1940 fiscal year.

In the compilation of the special accounts budget, the principle of laying emphasis upon essential enterprises and the policies of retrenchment in fixed expenditure and of non-flotation of bonds were observed with the result that fairly large reductions were made in appropriations for construction of the Tatung Port, capital (Hsinking) construction, development of the northern frontier districts, and for readjustment of local finance.

The estimates for the establishment of postal administration facilities and electric power (both caloric and hydraulic) power plants were unavoidably increased, but the budget as a whole represented a slight decrease in comparison with that for the 1940 fiscal year.

TAXATION SYSTEM

The tax administration, as it was eventually established is shown in an accompanying table. Tax Superintendence Bureaus are established at five places: Mukden, Kirin, Harbin, Tsitsihar and Chengte. These bureaus superintend all matters relating to internal taxes. The tax offices, 143 in number, are charged with field work as tax collection organs and execute all affairs relating to internal taxes. These offices not only levy and collect such taxes, but also collect the additional taxes, receipts of which are appropriated for local expenses on the part of each province. The additional taxes are those due to the municipalities, districts and banners, and the receipts for expenses are turned over to the provinces, municipalities, districts ,and banners as the case may be. The only exceptions to the internal taxes named above are the land tax, the land utility tax, and the land registration tax, which are levied and collected directly by the municipalities, districts and banners.

A comprehensive picture of the internal tax system in Manchoukuo is given in an accompanying table. A number of the taxes innumerated in the table require some explanation. The Government considered until the fiscal year 1938 the time still premature to introduce a general income tax. Therefore, what is called a Profit Tax has been adopted instead. This tax is divided into two classes, the General Profit Tax and the Special Profit Tax. Under the former there is a Labor Service Income Tax, imposed on incomes derived from labor services; a Free Occupation Tax, based upon the profits from free occupational services; a House Tax on profit from houses; a Land Tax on profit from land, especially arable land; a Business Tax on profits earned by private businesses; and a Corporate Business Tax on the profits earned by business corporations or groups which may be considered business corporations. The Special Profit Tax is imposed to meet the situation resulting from the lack of a general income tax. It is intended to be complementary to the land and business taxes of the general profit class so as to secure a rational adjustment of the tax burden on tax payers under these heads.

Table 6. INTERNAL TAX SYSTEM OF MANCHOUKUO

1. Profit Tax	General Profit	Labor Service Tax	
		Liberal Profession Tax	
		House Tax	
		Land Tax	
		Business Tax	Corporation Tax Private Tax
	Special Profit	Production Tax	
		Mining Tax	Mining Lot Tax Output Tax
		Opium Tax	
2. Consumption Tax	Direct	Amusement, Food & Drink Tax	
		Individual Brewery Tax	
	Indirect	Alcoholic Liquor Tax	
		Cigarette & Cigar Tax	
		Tobacco Tax	
		Consolidated Tax	Cement Tax Cotton Goods Tax
3. Current		Mining Lots Registration Tax	
		Mining Lote Registration Tax	
		Commercial ” ”	
		Patent ” ”	
		Design ” ”	
		Factory ” ”	
		Mining Property ” ”	
		Vessel ” ”	
		Immovable Property ” ”	
		Revenue Stamp ”	
		Bourse ”	

The Ore Output Tax is imposed on mineral ores produced within the country and is intended to be complementary to the land tax. The Mining Area Tax is imposed on the holders of mining rights on the basis of mining areas, while the Mineral Output Tax is a levy on mining rights on the basis of mineral production, and is intended to be complementary to the business tax. The Opium Special Tax is intended to be complementary to the land tax and is imposed on the area of land under opium poppies in Jehol and Hsingan West Provinces.

Among the above mentioned taxes on profit, additional taxes are imposed on the following activities; the Labor Service Income Tax, the Corporate Business Tax, the Ore Output Tax, the Mining Area Tax, the Mineral Output Tax, and the Opium Special Tax. The receipts from these additional levies are appropriated by the provinces to help meet their local expenses. At the same time, the municipalities, districts and banners are authorized to impose additional taxes on the basis of the Free Occupation Tax, the House Tax, or the Business Tax. These provincial and local rates are generally fixed below 50 per cent of the State rates so as to prevent the burden on the tax payer from becoming too excessive.

There are also Taxes on Consumption which fall into six categories. The aggregate receipts from these taxable sources amount to about 42 per cent of the total receipts from internal taxes. They thus occupy an important position in the country's fiscal structure. In addition, there are the State monopolies of salt, petroleum, alcohol, opium and matches. In a sense these monopolies assume the character of levies on consumption.

The Alcoholic Liquor Tax is collected from manufacturers on the basis of volume and according to classes. The Cigar and Cigarette Tax is levied on these products according to value and volume, the charges being made against the manufacturers. Of tobacco products other than cigars and cigarettes, a Tobacco Tax is levied on cut and leaft tobacco which is collected from the growers and manufacturers respectively. A Cotton Goods Consolidated Tax, according to the denier of yarn and weight, is collected from the manufacturers when the goods are taken from the factory. A Wheat Flour Consolidated Tax is imposed on wheat flour according to weight, collection being made from the manufacturer against shipment from the mill. Finally, there is a Cement Tax, imposed according to weight, charged to the manufacturer against shipment from factory.

Miscellaneous taxes are divided into twelve classes. The Land Utility Tax is imposed on those who own real estate or hold leases or mortgages from which profits are derived. A Document Tax is levied on various kinds of documents and books which record the establishment, removal, loss, alteration and recognition of rights of property. The fees are paid by the maker of such records through the purchase of stamps. A similar Registration and Record Filing Tax is collected from applicants for the registration and recording of the acquisition, loss, or change of property rights in real estate or other forms, as well as any changes in the applicants' personal status which must be registered and filed on record in the official books legally prescribed for this purpose. All transactions in securities are subject to the Bourse Tax (exclusive of national bonds), as well as merchandise for which marginal settlements are possible.

TAX REVISION OF DECEMBER, 1940

The Government decided in December, 1940 to revise a portion of the national taxes and to introduce new taxes in order to increase the national revenue to meet financial needs in keeping with the situation at home and abroad, readjust the taxation system and also to contribute to the consolidation of local finances.

At the same time it decided to establish a system of apportioning national taxes to the localities. Imperial ordinances for raising taxes, whic hwere passed by the State Council on December 23 and approved by the Privy Council on the 26th, were promulgated December 28.

In order to equalize tax burdens upon the nation in accordance with the above policy, the Government will abolish the free occupation tax and the business tax and will establish in their stead an enterprise income tax system so as to systematize the taxation system and to give it more elasticity. On the other hand, the taxes on alcoholic beverages and cigarettes will be raised with the twofold object of increasing financial revenue and regulating purchasing power in view of the current emergency. At the same time a tax on sugar will be introduced.

On the basis of actual results attained from the raising of taxes on several occasions in the past, the Government has conducted careful investigations, paying special attention to equalizing the burdens upon the nation and to establishing an elastic taxation system. Introduction of the enterprise income tax may be regarded as an epochal revision of the present taxation system in that it indicates a gradual change in the system of levying taxes on profits to a classified income tax system.

The regulation of purchasing power of the nation, needless to say, is an important objective of the present revision of taxes. The Government earnestly hopes that the nation will have a correct appreciation of the current emergency, fully understanding the objectives of the present revision, and give wholehearted cooperation in this connection.

The main points of the laws and ordinances concerned with revision of the taxation system are as follows:

I. Enactment of the Business Income Tax Law

(1) The enterprise income tax will be levied on (a) business income and (b) professional earnings. The extent of levy of the enterprise income tax on business income will be about the same as that of the present business tax, while the extent of levy of the enterprise income tax on professional earnings will about the same as that of the present free occupation tax.

(2) The enterprise income tax rate on net business income exceeding more than 1,000 yuan a year will be 7 per cent, while that on net professional income amounting to more than 1,000 yuan will be 6 per cent. For income amounting to less than 1,000 yuan but more than 300 yuan, the rate will be 5 per cent in both cases.

(3) The enterprise income tax will not be levied on net business income or net professional income amounting to less than 300 yuan a year.

(4) Those whose net income amounts to more than 300 yuan a year (in both cases) are required to file their returns to the chiefs of taxation offices concerned by the end of February each year. However, those who have closed their business or given up their professions are required to file their returns within twenty days after quitting business.

(5) The enterprise income tax will be collected in two periods each year, the first levy between July 1 to 31 inclusive, and the second levy between November 1 to 30 inclusive.

(6) The Enterprise Income Tax Law will be enforced from January 1, 1941. The tax for 1941 will be levied on the basis of income returns in 1940.

II. Revision of the Home Tax Law

(To be Enforced from January 1, 1941)

The house tax is at present levied on the owners of even small homes owing to the fact that there is no specific level of tax exemption. As a result of the revision of the House Tax Law, the owners of small houses the rentals on which amount to less than 50 yuan, will be exempted from the house tax.

III. Establishment of Sugar Tax

(Effective from Day of Promulgation)

(1) Objective of Tax

Sugar, molasses and syrup shall be taxed under this law. Goods falling under this category which are imported shall be taxed in addition to customs duties.

(2) Standard of Tax and Rate

(A) Sugar.

First Class—Unrefined sugar (which has not as yet been put through a centrifugal machine) will be taxed at 3 yuan per 60 kilograms.

Second Class—Other sugar, with the exception of candy, cube sugar, loaf sugar and other similar sugars, will be taxed as follows:

(a) Sugar whose cane sugar content does not exceed 86 per cent of its total volume shall be taxed at the rate of 3.30 yuan per 60 kilograms.

(b) Other sugar shall be taxed at the rate of 6.00 yuan per 60 kilograms.

Third Class—Sugar candy, cube sugar, loaf sugar and other similar sugars shall be taxed at the rate of 7.50 yuan per 60 kilograms. Goods manufactured from sugar classed under section (b) of Second Class above shall be taxed in the case of rock sugar at the rate of .90 yuan per 60 kilograms and in the case of other sugars at the rate of 1.50 yuan per 60 kilograms.

(B) Molasses

First Class—Molasses produced as a by-product in the refining of raw sugar shall be taxed at the rate of 3.10 yuan per 60 kilograms.

Second Class—Other types of molasses shall be taxed at the rate of 1.80 yuan per 60 kilograms.

(C) Syrup

Syrup shall be taxed at the rate of 4.80 yuan per 60 kilograms.

(3) Persons taxable and time of taxation

Taxes shall be collected from manufacturers of sugar, molasses and syrup as well as from importers at the time shipments are made from the factory or when the goods are imported into the country or when the goods are to be shipped from the place of importation where exemption is received.

(4) Permit System for Manufacturers and Importers

Manufacturers and importers of sugar, molasses and syrup must receive permits from the Director of the Taxation Superintendence Office at each place of manufacture or place of import. Manufacturers of sugar candy out of sugar already marketed must also have permits, and are warned accordingly.

(5) Application System for Dealers

Those intending to deal in sugar, molasses and syrup must place their application with the Chief of the Revenue Office. Those engaged in dealing in sugar at the present time must submit their applications within one month of the enforcement of this law (December 28).

(6) Tax Exemptions

Sugar, Molasses and syrup shall be exempted from taxation in the following instances:

A. When they are to be exported abroad.

B. When they are to be manufactured into sugar, molasses and syrup.

C. When they are to be used for the manufacture of alcohol and distilled spirits.

D. Molasses when it is to be disposed with the permit of the Chief of the Revenue Office (but not for eating or drinking purposes).

(7) Tax on Sugar in Private Hands

The levying of taxes on sugar will be carried out under ordinary circumstances according to Clause 3. above, when the sugar is to be shipped out from the place of manufacture or the place of import or at the time of importation. However, taking into due consideration such questions as the enforcement of the fixed price system in the past as well as other circumstance, on this occasion of the enforcement of this law, sugar (molasses and syrup exempted) in the storehouses of private individuals shall be subject during the initial stage of the enforcement of this law to the following exceptional taxes:

Dealers, confectioners and soft drink manufacturers who have in their possession more than 1,000 kilograms of sugar at the time of the enforcement of this law, namely December 28 shall be taxed according to this law and the taxes shall be collected directly from these persons.

Persons taxable under this ruling shall submit a report of the amount of sugar possessed and the place of storage within 15 days from December 28 to the Chief of the Revenue Office.

Those failing to comply with this regulation shall be punished as violators of the taxation law and are hereby warned accordingly.

IV. Revision of Tobacco Tax

(Effective from Day of Promulgation)

(1) Tax Increase

To date the tax on domestic tobacco has been 44 per cent of the retail price and on imported tobacco 33 per cent of the retail price, in addition to custom duties.

The revision raises the tax on tobacco to 50 per cent in the case of domestic tobacco and 40 per cent in the case of imported tobaccos, in addition to customs levies.

(2) Changes in Retail and Wholesale Prices

Hand in hand with the increase of the tobacco tax, the authorities recognize increases in the price of tobacco to be manufactured after December 28 (or imported).

The retail prices for the main brands are as set forth separately. However, the attention of the general public is called to the fact that this present law does not apply to cigarettes and tobacco manufactured or imported prior to December 28 and now being sold in the general market. These must be sold at the prices prevailing to date. Violators shall be punished.

The prices of cigarettes may clearly be seen on the examination stamps imposed by the Government on each package.

(3) The Strengthening of Punishment

Those selling at over the official prices to date were simply punished by the imposition of certain fine. The fine shall be raised to a maximum of 1,000 yuan and in addition to the fine, the Government shall confiscate the tobacco in the possession of the guilty dealer.

V. Revision of the Liquor Tax

(Effective from Jan. 1, 1941)

(1) Increase of Tax Rates

The following revisions have been made in the tax rates for various types of alcoholic beverages:

(a) Shochiu

Over 70 proof, 24 yuan per koku (old rate, 14 yuan).

Over 50 proof, 14 yuan per koku (old rate 10.50 yuan).

Up to 50 proof, 10.50 yuan per koku (old rate 8 yuan).

(b) Hwangchiu (Yellow wine)

15.50 yuan per koku (old rate 11.50).

(c) Shaohsingchiu

21 yuan per koku (old rate 15.50 yuan).

(b) Beer

18.50 yuan per koku (old rate 13.50 yuan).

(e) Japanese sake

22.50 yuan per koku (old rate 17 yuan).

(f) Korean Yakushu

15 yuan per koku (old rate 13 yuan).

(g) Unrefined wines

8.50 yuan per koku (remaining unchanged).

(h) Alcoholic beverages other than those mentioned above.

Over 15 proof, 1.65 yuan per proof per koku (old rate 1.25 yuan).

Up to 15 proof, 22.50 yuan per koku (old rate 17 yuan)

(2) Strengthening of Control Over Sake Taxation

(a) All dealers in alcoholic bevereges (including middlemen) must within two months of the enforcement of the present law, apply for permission for continuing their businesses to the Taxation Offices within their respective districts. Particulars will be available at the nearest Taxation Office.

(b) Order Concerning Liquor Taxes. The Minister of Finance and Commerce or the director of a Taxation Office may issue orders, relative to the quantity of alcoholic beverages to be produced, the quantity to be sold, the price of such beverages, and methods of sale, etc., or any other matters necessary for the maintenance of the tax on alcoholic beverages, in accordance with ordinances of the Department of Finance and Commerce.

In accordance with the above provision, the principal matters regarding which orders have been issued to manufacturers of, alcoholic beverages and those selling such beverages are as follows:

(i) A trade mark carrying certain specifications approved by the Director of a Taxation Office must be pasted on the container of any brand of alcoholic beverage.

(ii) Only those selling alcoholic beverages receiving special permission from the director of a Taxation Office may transfer alcoholic beverages to other containers and sell same.

(iii) Any shop wishing to sell alcoholic beverages in bulk must receive permission therefor from the director of the Taxation Office concerned.

MARITIME CUSTOMS

The maritime customs under the former regime in Manchuria were one of the so-called foreign managed systems which had developed throughout China. They were therefore in a far more orderly condition as compared with the system of internal taxation which prevailed. It was indeed fortunate for Manchoukuo that it could from its first day take over what had been achieved in this respect. Nevertheless, as might be expected, from the important position that the customs were to assume in the State's public finance later, the new Government was confronted with many problems in adjusting the foreign customs to the new administrative system, especially from the standpoint of industrial development. There was also the problem of expanding the network of customs houses in relation to the newly defined border lines and the training of personnel. These problems were met by a series of adjustments between 1932 and 1935, but the changes were hardly more than modifications of the former system. In the second period of adjustment after 1937 when Manchoukuo embarked upon vigorous construction, the customs tariff system could not remain unaffected. Sweeping changes therefore were carried out in January, 1938, through the Customs Tariff Law.

The export and import tariff schedule taken over from the former regime contained many unsatisfactory features. For example, the rates on a number of commodities were altogether out of proportion to the requirements of the country. Other rates were emphatically anti-foreign in motive, while others were contradictory to the industrial policies of the country.

This situation naturally called for early adjustment, but fundamental changes had to be made with caution and prudence. As a result, a moderately progressive policy of adjustment was pursued. In the early period from July, 1933 to November, 1935, the export rates were revised three times and the import rates were revised twice, but these still contained a number of objectionable and unsatisfactory features. The Government laid plans for further and more thorough-going changes which were finally put into effect with the complete revision of the customs tariff in January, 1938, aimed at equalizing the burden on the consuming public and securing sources of national revenue. The new schedule was introduced in the form of a list appended to the customs tariff law, and the new tariff has met with general approval.

In addition, it was also necessary to extend the network of custom houses not only as far as the Great Wall but also toward North Chosen (Korea) in consequence of the demarcation of the border lines. Manchoukuo customs houses have been opened at the three ports of Yuki, Rashin and Seishin, where facilities have been provided for trade with Japan and European countries.

Moreover, in order to handle transactions with foreign countries which have interests in Manchoukuo, internal custom houses have been provided at Mukden, Hsinking and Harbin, where, with the completion of the system of bonded institutions, facilities for internal trade have been provided.

There are at present custom houses at Dairen, Antung, Yingkow, Mukden, Hsinking, Harbin, Tumen and Shanhaikwan, along with 11 branch customs houses, 3 agency offices, and 54 sub-offices. Thus the country is now provided with a fairly complete structure for customs administration.

Table 7. REVENUE FROM CUSTOMS

(In M¥1,000)

Year	Import Duty	Export Duty	Re-export Duty	Special Relief Duty	Tonnage Dues	Total incl. Others
1932	25,493	11,942	2,491	2,052	—	51,949
1933	57,260	13,776	1,054	2,936	—	75,026
1934	69,861	12,261	965	3,149	—	86,227
(July-Dec.)	38,592	6,175	7	1,568	213	43,384
1936	69,085	12,051	213	2,925	67	93,228
1937 (Budget Estimate)	72,827	13,351	213	3,198	69	89,589
1938 (” ”)	85,156	10,769	474	—	49	96,398
1939 (” ”)	95,144	11,729	632	—	46	107,511
1940 (” ”)	160,959	10,203	698	—	47	171,907

Simplification of Duties

The Government has sought to obtain a simpler classification of duties and a less burdesome and perplexing system of rates. Steps toward such changes were made in 1934 by clarifying the objects subject to duty and by revising certain duties which had in reality amounted to prohibitions. In place of the "flood surtax", for example, a new levy was instituted in the form of a "diaster surtax," thereby clearly establishing the legal basis for such procedure.

River dues collected at both Harbin and Yingkow and the above-mentioned disaster surtax were subsequently abolished in 1937 upon the institution of the Customs Tariff Law. Revenues of the administration are of two kinds, the customs duties themselves and tonnage dues. Under the former are the export and import levies and interport duties. Export duties are imposed on domestic goods shipped abroad. The tariff of January, 1938, on the principle of individual specifications contains one section of twenty items for each of the five categories of agricultural produce, fruits, animals, furs and skins and processed agricultural goods. On the basis of the average charge of 2.5 per cent for the year 1936 ad valorem rates are fixed for four items and specific rates for seventeen items.

Import duties are imposed on foreign goods imported into the country. The new import tariff comprises twelve categories, 745 classes and 1,904 items, of which forty-three are duty free and 1,861 subject to omposition. Rates are on the average fixed between 5 and 40 per cent, based mainly on the average charges for the years 1935 and 1936. Ad valorem rates are applied to 1,088 items and specific rates to 773 items.

The interport duties which were taken over from the previous regime presented an imposing but quite unbalanced list of items. In November, 1934, the system was so amended as to amount practically to abolition, but total abolition could not be effected so suddenly and the interport duty system has been suffered to remain in its present emasculated form. These duties are charged on goods of Manchoukuo origin when shipped from one port to another, collection being made at the port of shipment at the basic rate of 7.5 per cent.

Tonnage dues are collected from all shipping other than sailing vessels engaged in coastwise trade. Duties are levied when such vessels enter the open ports of Antung, Yingkow and Hulutao. Tonnage dues under the former regime were excessively high in view of the conditions under which ships engaged in coastwise trade. The Government made a thorough-going revision of the system in June, 1934, alleviating the burden on the shipping trade to the extent of about one-sixth on steam vessels and about one-third on sailing vessels.

Main Points of Tariff Revisions

The main points of the three tariff revisions effected by the Manchoukuo Government from 1933 to 1937 are given hereunder.

First Tariff Revision. The first revision of Manchoukuo's tariff rates took place in July, 1933. This revision affected 28 import commodities and 6 export commodities, the rates of which were reduced. To compensate for the decrease in revenue arising from this reduction, the import duty on leaf tobacco was raised. The principal points embodied in the policy of revision were:

1. In view of the conditions of national finance no revision which might radically curtail national revenues, will be made.

2. Since it is a temporary revision no simple perfunctory revision will be attempted.

3. Revision which might create disparity of rates arising from partial revision will be avoided.

4. No revision aiming at the correction of equality of the excise tax will be carried out.

However, the rates of those which show agreement with the conditions listed below will be revised to alleviate the burden of customs duty.

a. Those which are considered extremely exclusive in nature.

b. Rates which are considered to be exceedingly protective in nature but which do not protect home industries due to the non-existence of such industries which are supposed to be protected.

c. Rates on necessary everyday commodities the importation of which are being hampered due to high import duty.

d. Those that are considered vitally important to internal industrial development, but only within the limits which finance permits.

e. Construction materials which are indispensable to the execution of Manchoukuo's city expansion program.

5. To compensate for the decrease in revenue arising from the reduction of exemption of export duties, rates on commodities, the burden of which is considered light, will be raised. Commodities coming under the above conditions are listed below.

Those coming under (a) and (b) are knit goods, hosiery, towels, stockings, soap for domestic and laundry use, straw and rush hats, ceramic products. Those coming under (c) are cotton blankets and blankets, mats, footwear, fresh fish, ordinary and newsprinting paper. Those coming under (d) are machines, implements and accessories, glass, sulphur, cross-ties. Those coming under (e) are nails, paints, water-hardening cement, construction materials. Leaf tobacco is the only commodity affected by 5.

In considering the principles of revision and the types of commodities affected, we can detect the following special characteristics in them. In the first place, there is an intention of guaranteeing and protecting revenue from customs which is one of the primary sources of national revenue, secondly, a modification of the former Chinese protective tariff has been effected as it can be seen in (a), (b) and (c), and thirdly, a leaning toward developing the country into a production goods market as seen in (d) and (e) in regard to imports of production goods, and the tendency with regard to exports, toward developing into a raw material supplying region, especially in the heavy and chemical industries, are clearly perceptible.

In making a more concrete study, we find that the percentage of customs revenue out of the entire national revenue was approximately 34 per cent in 1932, 38 per cent in 1933, and more than 50 per cent of tax revenue at present. At a time when only a short space of time has elapsed since the foundation of the State, when administrative organs and consequently the financial revenue organizations were in an unadjusted state, it was only natural that Manchuria attempted to assure revenue from the customs which was the most important source of income.

In regard to the reduction of the rate of import duty on consumption goods, the abolition of the Chinese protective tariff tends to discourage the development of handicraft, manufacturing and light industries similar to those in China. In the past, Manchuria not only constituted a primitive colonial region for native and foreign capitalistic industries, but also as a market for commodities of foreign capitalism, but with the revision explained above, China has been placed in a position and treatment of a foreign country, and in consequence, Chinese goods have been placed on equal terms with Japanese goods.

The reduction of import duties on production goods, namely agricultural implements and machinery, mining machinery and apparatus, nails, paint, cement, tiles and electricity distribution apparatus, indicates the fact that industrial development was centered upon agriculture, mining and steel manufacturing, and that the demand for various construction materials had risen sharply in conformity with political and economic development. At the same time, as long as the development of Manchuria was supervised by the Japanese, the opening of Manchuria as a market for production and consumption goods, and the downward revision of export duty rates on mineral oils, pig iron and spear pyrites (Fushun Shale Oil Plant and Showa Steel Works), went a long way to effect a close bondship with Japanese heavy industries for the first time.

Second Tariff Revision. The initial revision of 1932, was carried out not through Manchoukuo's own positive initiative, but because there was a strong demand for such a change which arose from among internal and foreign traders. In other words, the first revision can be regarded as an emergency temporary measure, and subsequently the scope affected by the revision was relatively narrow and limited.

A year and a half passed, however, and during this time, a radical change was seen in trade conditions. The independence of the customs service and the marked increase in the imports of construction materials and production goods resulted in the increase of customs revenue which was facilitated no doubt, by the internal adjustment of the tax system. As a result, the Manchoukuo officials gained much confidence in the strength of the foundation of state finance. On the other hand, various industrial development policies assumed definite shape, and the internal and foreign economic situation necessitated a fundamental revision. In consequence, the second revision primarily aiming at the adjustment of the customs administration and the modification of cotton yarn and related goods, was effected, but this revision was wider in scope than the first, covering 118 import commodities and 23 export commodities.

The policies of the second tariff revision may be summed up as follows:

1. Relating to Customs. (a) Disparity of burden between ad valorem and specific duty goods caused by fluctuations in foreign exchange and trade commodity prices, will be corrected as far as the situation permits. (b) High tariff rates which hamper importation and which run counter to be established principles of customs and finance, will be revised. (c) Those, the policies for their development or for assisting in their development, due to their contribution toward industrial development of the country, have been roughly decided upon, will be revised accordingly. (d) In regard to import goods upon which internal taxes (including the salt tax) are assessed, their rates will be revised in connection with the adjustment of the internal tax system. (e) Those which give rise to doubt in applying rates due to irrational classification of commodities will be modified.

Commodities coming under the policies of revision enumerated above are as follows:

1. Those relating to import duties. Under classification (a): cotton yarns and tissues. Under classification (b): Fruits, canned or preserved, rubber shoes, shoes made of cloth but rubber soled, paper for newsprinting use, satin of cotton and silk fiber mixture, silk (silk thread or rayon), textile fabrics, awabi

(ear-shell), dried fish, and a few cotton yarn or tissue articles. Under classification (c): 1. Wheat and wheat flour, automobile wheels, accessories and tires, alcoholic spirits. 2. Waste jute, scrap iron (for reconstruction use), seeds for cultivation, seedlings for grafting or cultivation, agricultural implements and accessories. Under classification (d): Cement, cigarettes and cigars, cotton yarns and wheat, which are controlled commodities, and wines and spirits coming under the alcohol tax. Under classification (e): Mineral turpentine waters, umbrellas, certain cloths.

2. Those relating to export duties. It has been decided upon that export duties will be gradually decreased as far as finance permits, but with the present revision, timber, coal, milk, woollen carpets and other livestock products, wheat bran, castor oil, kaoliang wine, or 23 farm products were reduced in rate or totally exempted from taxation, as a means of encouraging the development of agriculture, forestry, and livestock industries.

It is interesting to ascertain the primary objective underlying the revision of rates of the above-mentioned commodities, and its significance. In other words, we must determine the relationship between the trade policy of Manchoukuo which was manifested in the second customs revision with the actual trade situation and home industries, and furthermore, we must compare the peculiar characteristics of Manchurian community with the direction of its advancement together with the salient characteristics attached thereunto.

Let us first direct our attention to the import tariff. Out of a total of 118 articles of trade affected by the revision, 71 items belong to the cotton yarn or piece goods classification. From this fact, one can readily understand the importance attached to this category of trade commodities. The principal objectives of cotton yarn and textile rates were, first, to correct the equilibrium between ad valorem and specific duty rates which was disrupted as a result of the suspension of the world gold standard, and the rise of silver value, which caused the price of imported cotton to fall. This in turn caused the specific duty rate to decline and the ad valorem duty rate to rise. The second motive lay in the prevention of tax evaders which seek loopholes in the inadequate tax regulations, and in the prevention of any pressure which might be brought to bear by tax evaders upon the internal spinning industry.

Other consumption goods, the import duty rates of which were lowered includes silk (rayon included), textile goods, ear-shell, dried fish, tangle (laminaria), canned products and canned foodstuffs, alcoholic spirits, paper for ordinary and newsprinting use, enamelware, and umbrellas and parasols. It must be noted here that these articles were subjected to heavy Chinese import duties upon recovery of tariff autonomy by China, and were more or less goods belonging to the anti-Japanese customs classification.

An import duty was assessed anew on wheat (50 fen per picul), and wheat flour (1 yuan per picul), while a general upward revision was effected on rates on beer, cigarettes and cigars, and foreign wines and spirits. The reason for the new import duty on wheat and wheat flour is that foreign wheat from various countries were dumped into Manchuria as a result of the world-wide economic depression which caused over-production. This situation threatened the flour-milling industry centered at Harbin and Hsinking. Therefore, the erection of the tariff barrier offered relief to the stricken industry and at the same time, it was a measure to meet the critical situation in the staple produce market.

The import duty on beer was raised by 70 per cent, but this sharp revision was effected for the purpose of protecting the internal brewing industry which was just begun. An upward revision of the leaf tobacco rate was carried out by the first revision, but the second revision raised the rate considerably on cigarettes and cigars. As in the case of wheat, wheat flour and beer, it is apparent that the motive behind the raising of the import duty on tobacco, was the protection of the home industry. A general upward revision was effected on import rates on foreign wines and alcoholic beverages, the maximum being 15 per cent, but since there is nothing very important in this category, a detailed account on the subject will not be attempted.

In connection with the revision of import duties, rates on agricultural implements were abolished and made duty-free, automobile and tractor parts and accessories, except scrap iron and chassis, were reduced in rate, while automobile wheels, cement and alcoholic spirits were respectively raised. This revision was motivated by the need for protecting home companies such as the Showa Steel Works, the Dowa Automobile Factory which is an assembling plant, and the Tatung Brewing Company.

In comparison to import duties, the number of export articles affected by the revision is smaller and less important. We can say, however, that in principle, the export tariff is on the downward tendency destined either for reduction or abolition. Agricultural, forestry and livestock products formed the greater part of the commodities the export duty rates on which were either reduced or completely abolished.

In summarizing, we can safely say that the aims embodied in the second tariff revision were (1) the guarantee of revenue, (2) liquidation of anti-Japanese rates and the opening of Manchuria as a market for light and miscellaneous industries, and (3) the protection of internal productive industries. It can be seen that the first and second stage tariff revisions were based on the fundamental principle of encouraging free imports by light and miscellaneous industries providing that they do not conflict with the essential nature of customs and finance, that they conform to the limitations set by home industry protection policy, and that they keep pace with the marked cultural advancement.

However, we must recognize the fact that Japanese commodities established supremacy over the Manchurian market by subduing competition afforded by countries which are geographically and politically distant, without running counter to economic rules and practices.

Third Tariff Revision. Three years after the second tariff revision was effected, or in December 1937, the third tariff revision was promulgated and went into force on January 1, 1938. The third tariff revision modified extensively for the first time, customs administration, customs rates, classification of rates and units for assessment, from Manchoukuo's own standpoint. In consequence, this revision, unlike the previous ones which were temporary in nature, revealed the fundamental trade policy of Manchoukuo in a more clear-cut manner. Such being the case, we are in a position to discuss the trade policy, but due to various reasons, only the main points of the policy will be selected for our discussion here. According to a public statement issued by the Hsinking Government, the main points embodied in the revision are as follows:

Imports:

a. The burden of import duties were made to conform with

the average for the two years 1935 and 1936, and revenue from the customs source made secure.

b. Headed by silk, rayon and manufactures thereof, the import duty rates on consumption goods were reduced.

c. Based on the principle of developing industries most suited to localities, and on the principle of conducting surveys actually in the localities, internal industrial development was given protection.

d. In order to assure the execution of the Five-Year Industrial Development Plan, imports of mining and industrial enterprises (aircraft manufacturing, light metal refining, gold mining, gold refining, coal liquefaction, shale oil extraction, iron manufacturing, hydro-electric generation, and coal mining industries) and of the agricultural field (agricultural machinery) were made duty free, while the principle of protective tariff was applied to a certain field of mining and industry (munitions, aircraft, rolling stock).

Exports:

a. To insure revenue from customs to a certain degree, export duty was imposed on commodities which yield large revenues (soya beans, millet, soya bean oil, perilla seeds, hemp seeds, hides and skins, pig bristles, seeds, and castor seeds, but not including coal and briquettes).

b. No tax was imposed on products of new industries, while bean cake, kaoliang, maize and pig iron were made duty free since exportation of these products was deemed necessary.

c. As a result of the above changes, export articles which previously numbered 275 in all were classified under 20 articles.

In summarizing, the third tariff revision of Manchoukuo (1) guaranteed revenue from the customs course, (2) opened wider the door of Manchuria as a market to Japanese and world consumption goods though proper protection was given to home industries, (3) opened the door wider to Japanese and foreign production goods and (4) by the distribution of raw materials especially mineral, industrial and chemical products (excluding coal) contributed a great deal toward establishing a Japan-Manchoukuo heavy and chemical industry bloc more than the general assistance it gave to economic construction. The primary objective behind the first and second tariff revisions was the opening of Manchuria as a market for consumption goods, and secondary importance was attached to making Manchuria a market for production goods or as supply center of raw material to Japanese heavy and chemical industries, but with the enforcement of the third revision, the latter was given primary concern in connection with the Five-Year Industrial Development Plan. Herein lies the importance of the third revision.

As it can be clearly seen from the above outline, the previous policies for revision were greatly expanded, and intensified in the third revision, but the tariff rate revision and the trade policy have been carried out under two differing fundamental principles. One seeks to make Manchuria a market for world commodities and a supplier of raw materials and ultimately to bind Manchurian economy with Japanese economy, having the free trade movement between Manchoukuo and Japan as its ideal, and the second aims at securing revenue from customs, and at placing Manchurian economy upon an independent basis for the purpose of protecting native and munitions industries. The trade policies heretofore revealed in customs revisions were a compromise between or a mixture of the two opposing policies, but needless to say, the historical, economic and political burdens which Manchoukuo had to bear, were manifested in the trade situation of the country.

THE STATE MONOPOLY SYSTEM

The monopoly system of Manchoukuo was formerly confined to opium, petroleum, and a part of the salt output of the nation, but since 1937 the country's entire salt production and matches have been also placed under Government monopoly.

All monopoly affairs of the State are handled by a central establishment in Hsinking known as the General Monopoly Office, which directly controls ordinary monopoly offices located in fourteen principal cities (Hsinking, Mukden, Yingkow, Ssuping, Antung, Shanchengchen, Chinhsien, Kirin, Yenki, Harbin, Mutankiang, Chiamussu, Tsitsihar and Jehol City), 110 monopoly bureaux and 105 sub-bureaux at the end of August, 1940.

Monopoly Revenue. The combined income from state monopolies in 1941 was estimated at M¥382,093,000 and the net profit at M¥48,144,732.

Salt Monopoly

The thorough-going salt monopoly system was enforced in January, 1937 for the following purposes:—

1 To ease the life of the nation by equalizing and lightening their burden.
2. To positively increase salt production in order to meet its requirements for industrial purposes in Manchoukuo and Japan.
3. To secure the smooth distribution of salt.
4. To effect the rationalization of the salt administration organ and cut expenditure..
5. To secure the stability of annual revenue.

With the inauguration of the salt monopoly the salt affairs office and the Office for controlling the sale and supplying of salt were brought under the control of the General Monopoly Office. As a result, monopoly offices, monopoly bureaux and sub-monopoly bureau were increased, their number rising to over 300.

Among the improvements effected to the Salt Monopoly by the Manchoukuo government are the following:

1. Abolition of the salt surtax in the former Kirin and Heilungkiang Provinces in December, 1932. Although a salt monopoly was enforced in these two provinces, a surtax was also levied, which resulted in double taxation, an instance of unfair taxation under the former military regime.
2. Reduction of the import duty on Mongolian salt in April 1933. The tariff of M¥5.35 per 100 chin (1 chin equals one-half kilogram), levied on Mongolian salt imported into Jehol Province, was reduced to M¥5.00.
3. Reduction of the salt price in the Chientao district in August,. 1933. Prices were reduced ranging from M¥2.20 to M¥3.55 per 100 chin.
4. Reducation of the salt tax and price in March, 1934. On the occasion of the inauguration of the Imperial regime on March 1, 1934, the gabelle was reduced by 30 fen per 100 chin, and the salt price in the former Kirin and Heilungkiang Provinces by M¥1.00 per 100 chin on the average.

Match Monopoly

The system which Manchoukuo adopted with regard to match in the past was known as public sales system. It consisted of a combination of taxation and monoply systems. Under this system, the General Match Public Sales Bureau, supervised by the Department of Finance, entrusted the Manchuria Manufacturers' Association with the public sale of matches through the medium of wholesale and retail dealers. The wholesale dealers paid tax to the above Bureau according to the amount of business handled. Government inspectors were stationed in various places to supervise the manufacture of matches, the distribution of matches from factories, and retail business.

The above system was adopted as a temporary expedient in compliance with a joint petition submitted by the match manufacturers during the chaos following the Manchuria Incident, and contained many defects. The need for fundamental revision was was felt, and in December, 1936, the Match Monopoly Law was promulgated, which took effect in February, the following year.

In brief, the new Law stipulates that any person who wishes to manufacture, import or export matches must obtain a permit for such from the Government. All matches manufactured, imported or exported, automatically become Government monopoly products, which must be sold to the Government in return for fair compensation. The wholesale trade in matches is conducted only by those designated by the Government.

Opium Monopoly

Manchoukuo's opium monopoly system was established to control opium production and transactions in order to facilitate the execution of its opium policy. If illicit cultivation of poppy, illegal transactions in opium and secret opium smoking are suppressed and replaced by Government licensed cultivation and smoking, the practise, it is believed, can be gradually lessened, and the evil eventually exterminated. This method which has been adopted by Manchoukuo conforms with that which was introduced into Taiwan several decades ago with marked success. As a first step towards eradicating the evil the Manchoukuo Government promulgated the Opium Law in November, 1932.

According to Article 2 of the Opium Law, no person is allowed to smoke opium. Special permission, however, may be given to those adults who had already acquired the habit before the Law was enforced, and to whom the drug is an indispensable necessity. Licensed smokers in 1938 numbered about 550,000, while the number of addicts is roughly estimated at one million, although no thorough surveys have as yet been made.

Oil Monopoly

The Oil Monopoly was instituted in Manchoukuo on April 10, 1935 in view of the strategic and commercial importance of petroleum. The oil business as regards the purchase and refining of foreign crude petroleum was entrusted by the Government to the semi-official Manchuria Petroleum Company in February, 1934.

National Budget for Fiscal Year 1942

The budget of the Manchoukuo Government for the 1942 fiscal year beginning January 1, 1942, compiled in accordance with the basic policy of establishing a highly organized national defence State in keeping with the unprecedented emergency situation arising in consequence of the outbreak of the Greater East Asia War was formally approved by the Privy Council at its extraordinary session held on December 24, 1941 at the Imperial Palace in the presence of His Majesty the Emperor.

The 1942 budget, exclusive of the special accounts, amounts to M¥823,400,000 in both revenue and expenditure, an increase of M¥174,000,000 or 27 per cent as compared with that for the 1941 fiscal year, exclusive of the supplementary budgets. In the special accounts revenue is estimated at M¥1,750,000,000 and expenditure at M¥1,657,000,000, the former representing a decrease of M¥98,000,000 and the latter of M¥100,000,000 as compared with those for the current year.

The total for the general and special accounts amounts to M¥2,574,000,000 in revenue and M¥2,481,000,000 in expenditure, or an increase of 3 per cent over the current fiscal year.

A special feature of the new budget is that it possesses extreme elasticity from a financial standpoint. That is, a considerable amount of special reserve funds has been appropriated, taking into consideration the rapid changes in the present international situation, so as to enable the Government to take such steps as the occasion demands for coping with any situation that may arise. At the same time the basis for a strong financial structure has been laid to enable Manchoukuo to carry out fully its duties of supplying Japan goods which she vitally needs for the prosecution of the war, and to become self-sufficient in various commodities.

In accordance with the above policy special emphasis has been laid upon the following expenditures:

1. Expenditures concerned with national defence enterprises.
2. Appropriations required for increasing the output of various products planned under the Second Five-Year Plan, particularly soya beans and other agricultural products, live-stock products, iron, coal and non-ferrous minerals.
3. Land development expenditures.
4. Expenditures concerned with frontier districts.
5. Expenditures concerned with labour affairs.
6. Expenditures for economic control and guidance for the purpose of stabilizing the people's livelihood.
7. Urgent expenditures for readjusting the administrative structure, particularly from the standpoint of public peace maintenance and economic control.

As regards revenue emphasis has been placed upon increasing the income from customs duties and taxes, particularly internal taxes, with the object of meeting wartime financial needs, absorbing purchasing power of the nation and of rationalizing the burdens upon the nation. In consequence the income from taxes and customs duties will comprise 60 per cent and 20 per cent respectively of the ordinary revenue. The 1942 revenue from these two sources is estimated at M¥384,000,000, representing an increase of 80 per cent as compared with the revenue estimated in the original budget for the current fiscal year.

Flotation of deficit-covering bonds will be restricted to the minimum from the standpoint curtailing currency expansion. The amount of bonds to be raised in 1942 will be limited to M¥430,000,000, a decrease of M¥60,000,000 as compared with the amount of bonds actually issued in 1941.

CHAPTER VIII

BANKING AND CURRENCY

BANKING

Historical

There were in former days three provincial government banks, and a Frontier Bank. The latter was a private affair of the war-lords. These four banks had the privilege of issuing their own notes, without limit. Besides transacting a general banking business, these organs were also engaged in a variety of enterprises, including buying, selling, and exporting soya beans, and other staple products, flour milling, oil milling, brewing, marine transportation, forestry, mining etc. Of all these enterprises, bean transactions constituted the major part of their business, and a large volume of notes used to be issued in bean seasons to finance the purchase of this staple. No effective measure was taken to arrest inflation, but, on the contrary, as any amount of notes could be issued according to requirements of the banks or the war-lords, with insufficient or no reserves to back note issues, their value depreciated in proportion to the rise in the volume of the notes. Thus most notes fell to between one-tenth and one-fiftieth of face values. Typical of these, were the Mukden notes, of which the circulation in June, 1929, reached the huge sum of 1,500 million yuan. Their value dropped to one-seventieth of face value at one time. Further, there were special kinds of notes called "Ssutieh," issued by various prefectural governments, other public bodies and even by private houses. These notes circulated to a tremendous extent. Some of them gradually lost public confidence and finally were no better than mere scraps of paper.

The banks were accustomed to buy beans and other cereals from farmers with bank-notes commanding comparative confidence in the individual localities. The farmers, at the time of such dealings, obtained considerable sums of money, but their joy was usually short-lived, for their notes depreciated rapidly and severely, and the farmers often were left with nothing but scraps of paper for their year's labor, presenting a tragic spectacle everywhere in the country. The distress to which the inhabitants were reduced under the old regime baffled description. The cereals confiscated from the farmers in this unscrupulous manner were sold for silver or gold, so that the war-lords were enabled to purchase war materials, munitions, and other materials from abroad. When the depreciation of a note reached the last stage on account of inflation, it was usual with the bank authorities to devise the issue of a new kind of notes, and take up the old ones at greatly reduced values. This device was operated repeatedly with as many as 15 kinds of notes, involving 135 varieties. The currency system of the land was reduced to utter chaos, which debarred economic development by entirely prohibiting investment.

Establishment of Sound Banking

Soon after the foundation of Manchoukuo in 1932, the Government set about rehabilitating the monetary system in Manchuria. In June 1932, the Central Bank of Manchou was established, and in the following year the Banking Act was promulgated. Under the same act, the existing monetary institutions of different kinds were reorganized, and smaller banks consolidated. At the same time, cooperative credit associations were established as organs for the common people; while the existing credit associations and credit unions were improved and expanded. Much attention was also paid to the organization of the pawn business, with the Tahsing Kungssu as the nucleus. Finally, with the establishment of the Industrial Bank of Manchou in December, 1936, the financial system of Manchoukuo came to assume a modern form.

By the abolition of extraterritoriality completed in December, 1937, Japanese banks in Manchoukuo were placed under the financial jurisdiction of the Hsinking Government, which now exercised complete control over the monetary organs within the country. In September 1938, the Manchurian Bankers' Association comprising the financial organs also in Kwantung Territory was instituted. Further, in December 1938 a new Banking Act was promulgated, strengthening the monetary system of the country.

In this manner, the financial system in Manchoukuo was built up, under the control of the Government and with the Central

Bank as the pivot of the whole system. There are now more than sixty ordinary banks granting short term commercial credit, while the Industrial Bank of Manchou is catering to the needs of industries by extending long term credit. Between these two varieties of institutions there are interposed various organs for the common people. The nucleus of the financial system of Manchuria is given hereunder:

Financial Organs in Manchuria

I. Banks

a. Special Banks: Central Bank of Manchou
Industrial Bank of Manchou

b. Ordinary Banks: Ordinary Manchoukuo Banks (46 in number)
Ordinary Foreign Banks:
1. Japanese Banks, 2
2. Chinese Banks, 4
3. European and American Banks, 3

II. Organs for Common People

"Koh-Noh" Credit Associations, 149
"Shoko" Associations, 22

Pawn Establishments:
1. Tahsing Kungssu, 371
2. Others, 982
3. "Mujin" Credit Companies, 15

III. Business Corporations Extending Credit

Manchuria Mining Development Company
Manchuria Land Settlement Company
Manchuria Building Company
Manchuria Mining Development Company
Manchuria Forestry Company
Manchuria Life Insurance Company
Manchuria Fire and Marine Insurance Company

IV. Post Offices

Manchoukuo Offices, 589
Japanese Offices, 171

V. Subsidiary Financial Organs

Clearance Houses, 6
Stock Exchanges, 2
Manchuria Industrial Securities Company

Table 1. DEPOSITS & LOANS OF FINANCING ORGANS IN MANCHOUKUO

(A) Deposits (¥1,000)

End of	Central Bk. of Manchou	Ind. Bk. of Manchou	Ordinary Bks.	Japanese Bks.	Chinese Bks.	European Bks.	All Bks.
1936	196,784	—	13,042	444,249	25,918	12,447	692,440
1937	223,637	244,270	32,676	132,785	20,183	16,234	669,785
1938	300,246	388,150	47,912	132,584	15,838	16,528	900,758
1939	593,606	568,691	101,901	202,674	17,068	20,114	1,504,054
1940	429,138	739,411	201,958	273,533	18,410	19,154	1,681,604
„ March ..	738,524	797,074	209,255	214,011	20,050	22,485	2,001,399
Manc'kuo ...	730,640	673,258	209,255	84,088	14,561	19,014	1,730,816
Kwantung ..	7,884	123,816	—	129,923	5,489	3,471	270,583

	Credit Assns.			Postal Savings			
	Kohno Gassaku-sha	Shoko Kinyu Gassakusha	Kin-yu Kumiai	Man-chou	Japa-nese	Grand Total	Indice
1936	5,783	1,630	6,938	7,107	49,670	763,568	100.0
1937	11,138	2,120	9,818	17,304	56,836	767,001	100.4
1938	19,829	3,076	15,095	51,613	57,942	1,048,313	137.3
1939	39,762	5,793	26,475	102,731	58,800	1,737,615	227.6
1940	56,501	52,419	16,304	168,142	62,113	2,037,083	266.8
„ March ..	74,718	62,420	18,110	181,568	63,989	2,572,204	336.8
Manc'kuo ...	74,718	62,420	—	181,568	39,641	2,089,163	—
Kwantung ..	—	—	18,110	—	24,348	483,041	—

(B) Loans

End of	Central Bk. of Manchou	Ind. Bk. of Manchou	Ordinary Bks.	Japanese Bks.	Chinese Bks.	European Bks.	All Bks.
1936	174,541	—	36,586	368,012	23,540	24,457	627,136
1937	183,776	258,995	57,288	162,917	17,866	30,070	710,912
1938	329,187	412,419	71,800	290,223	14,901	22,247	1,140,777
1939	667,192	497,373	98,730	509,722	14,874	11,154	2,092,045
1940	469,924	1,294,574	168,141	770,494	12,880	4,584	2,720,597
„ March ..	470,503	1,410,017	213,920	679,826	15,048	4,703	2,794,017
Manc'kuo ...	465,457	1,338,086	213,920	260,798	13,560	3,152	2,294,973
Kwantung ..	5,046	71,931	—	419,028	1,488	1,551	499,044

(Continued)

	Credit Assns.					
	Kohno Gassaku-sha	Shoko Kinyu Gassakusha	Kinyu Kumiai	Total	Grand Total	Indice
1936	8,905	4,186	9,860	22,951	650,087	100.0
1937	15,099	4,879	12,664	32,642	743,554	114.4
1938	27,153	7,744	14,596	49,493	1,190,270	183.1
1939	60,064	11,223	19,070	90,070	2,182,402	335.7
1940	64,077	37,641	12,559	114,277	2,814,874	436.1
„ March ..	81,659	47,906	13,215	142,780	2,936,797	451.7
Manc'kuo	81,659	47,906	—	129,565	2,424,538	—
Kwantung ...	—	—	13,215	13,215	512,259	—

Table 2. STATISTICS OF BANKS IN PRINCIPAL CITIES

(In M¥1,000)

(A) Deposits

	Fixed Deposits	Current Deposits	Special Current	Notice	Others	Total
1937 Dec.	156,271	153,649	51,817	54,713	179,550	596,000
1938 Dec.	189,637	192,958	81,089	110,806	245,966	820,458
1939 June	272,302	291,925	97,824	146,232	172,156	980,438
„ Dec.	272,953	363,904	142,875	134,789	502,875	1,417,396
1940 June	289,439	395,853	163,015	158,810	203,072	1,210,189
„ Dec.	316,436	457,389	218,495	177,196	243,951	1,413,467

(B) Loans

	Advances	Over-draft	Bills Discounted	Others	Total
1937 Dec.	275,282	178,003	56,600	126,556	636,441
1938 Dec.	398,763	353,719	122,022	216,039	1,090,545
1939 June	612,198	405,367	150,285	165,289	1,349,956
„ Dec.	838,268	495,510	390,673	419,637	2,144,088
1940 June	1,033,354	657,323	546,068	321,391	2,599,135
„ Dec.	1,532,424	640,560	324,633	121,998	2,619,614

Note: The above statistics are for 11 principal cities, consisting of Hsinking, Mukden, Harbin, Tsitsihar, Kirin, Antung, Yingkow, Chinchow, Mutankiang, Chiamussu and Dairen. Figures for 1937 are exclusive of Chinchow, Mutankiang and Chiamussu, while figures of the Central Bank of Manchou are inclusive of Government accounts.

The Central Bank of Manchou

The Central Bank of Manchou was established as a bank of issue in June, 1932, in accordance with the Central Bank Act and the Act for the Organization of the Central Bank, with authorized capital of 30,000,000 yuan (half paid-up). The principal functions of the Bank are to act as the agent for the Treasury and local bodies, regulate the circulation of currency, ensure its stability, and exercise monetary control. But in view of the conditions in Manchoukuo, it also engages in ordinary banking business, granting agricultural, industrial, and commercial credit.

The Central Bank has its head office in Hsinking, branches in Mukden, Kirin, Tsitsihar, and Harbin, 130 sub-branches and agents in different parts of Manchuria. In countries outside Manchuria, there are several branches: one in Tokyo to take care of connections with Japan, another in Kalgan, a third in Tientsin, a fourth in Peking, to look after the monetary and economic relations between Manchoukuo, Mongolia, and China.

The Central Bank, which opened its business in July, 1932, unified the monetary system of Manchoukuo and stabilized its currency. Besides keeping accounts for the Treasury and discharging other business entrusted by the Government, the Bank is also acting as an agency for the Bank of Japan, this after the withdrawal of the Bank of Chosen from Manchuria. With the progress of "emergency" finance, the mission of the Bank has become more important than ever. In August, 1938, the Provisional Bureau for Foreign Exchange was established in the Bank to undertake the centralized management of foreign currency resources. In October, 1938, when the Provisional Act for the Control of Funds took effect, the Bank became the agency for its enforcement. In January, 1940, the Savings Department responsible for the employment of national savings was added. The business of the Bank has continued to show satisfactory progress, enabling it to begin the payment of contributions to the Government from the end of 1938.

Table 3. PRINCIPAL ACCOUNTS OF THE CENTRAL BANK OF MANCHOU (In M¥1,000)

	Capital				Deposits	
	Authorized	Paid-up	Reserves	Notes issued	Gov't deposits	General deposits
1932 Dec.	30,000	7,500	—	151,865	20,258	20,032
1933 June	30,000	7,500	120	112,263	53,079	43,943
„ Dec.	30,000	15,000	285	129,223	32,852	38,674
1934 June	30,000	15,000	525	100,540	54,867	72,311
„ Dec.	30.000	15.000	777	168,332	51,210	50,160
(Continued)						
1935 June	30,000	15,000	1,050	113,692	73,476	63,870
„ Dec.	30,000	15,000	1,380	178,655	73,734	78,199
1936 June	30,000	15,000	1,730	133,864	99,864	88,101
„ Dec.	30,000	15,000	2,080	254,243	113,576	112,005
1937 June	30,000	15,000	2,430	178,728	108,875	139,749
„ Dec.	30,000	15,000	2,880	307,489	133,095	132,485
1938 June	30,000	15,000	3,330	274,634	133,933	169,850
„ Dec.	30,000	15,000	3,780	425,738	164,631	222,218
1939 June	30,000	15,000	5,030	387,887	140,801	250,988
„ Dec.	30,000	15,000	8,000	623,621	455,373	296,976
1940 June	30,000	15,000	11,100	632,214	134,501	433,590
„ Dec.	30,000	15,000	16,030	947,051	145,100	380,155
1941 Feb.	30,000	15,000	21,600	869,987	114,202	378,302

		Advances			
(Continued)	Debts	Advance to Gov't	General advance	Securities	Bullion & foreign currencies
1932 Dec.	21,212	23,500	100,427	44,709	24,214
1933 June	20,202	19,100	89,767	48,106	17,498
„ Dec.	18,264	19,100	84,798	50,320	27,985
1934 June	18,348	19,100	90,904	57,289	37,080
„ Dec.	20,669	24,600	140,492	58,973	38,538
1935 June	17,307	34,746	112,736	58,653	40,490
„ Dec.	18,000	52,946	118,054	60,050	50,448
1936 June	16,000	51,256	105,684	53,441	44,294
„ Dec.	16,000	61,700	135,659	88,588	43,423
1937 June	14,000	42,500	137,799	99,372	46,738
„ Dec.	14,000	36,855	175,714	194,134	54,012
1938 June	12,000	32,555	213,406	269,738	27,959
„ Dec.	12,000	109,493	310,504	323,950	107,468
1939 June	10,000	109,493	348,046	315,426	60,452
„ Dec.	10,000	390,086	481,104	417,369	—
1940 June	8,000	340,086	689,079	416,680	—
„ Dec.	8,000	98,335	774,126	850,687	—
1941 Feb.	8,000	145,765	806,090	849,799	—

Table 4. INTEREST RATES AT THE CENTRAL BANK OF MANCHOU (% per Annum)

(A) Deposits

	Fixed					
	Three Months	Six Months	One Year	Current Account	Special Current Account	Deposit at Notice
1932 Sept. 1	4.8	6.0	7.2	1.825	3.029	3.650
1933 July 1	3.6	4.8	6.0	1.095	2.555	2.920
1934 May 1	3.5	4.5	5.0	1.095	2.555	2.920
1935 Apr. 1	—	5.0	6.0	1.095	2.920	3.650

(Continued)

	Fixed					
	Three Months	Six Months	One Year	Current Account	Special Current Account	Depo at Noti
1936 Jan. 1	—	4.5	4.5	1.095	2.920	3.65
1936 May 1	—	4.2	4.2	1.095	2.555	3.28
1937 Jan. 1	—	3.8	3.8	0.730	2.190	2.55
1938 Nov. 1	—	3.6	3.6	0.730	2.190	2.55

(B) Loans

Secured by:	Government Bonds	Discounts	Gold & Silver	Other Bonds & Shares	Commodities	Warehoused cereals	Real Estate	Other Reliable securities	Ove draf
1932 Sept. 1	—	10.329	—	10.329	12.045	12.045	12.045	12.045	
1933 July 1	—	8.030	8.030	8.395	9.125	9.125	9.125	9.125	13.14
1934 May 1	—	6.935	6.935	7.300	8.030	8.030	8.030	8.030	9.12
1935 May 11	5.840	6.205	6.205	6.570	7.300	7.300	7.300	7.300	8.0
1937 Jan. 4	4.745	5.475	5.475	5.475	6.570	6.570	6.570	6.570	6.57

The Industrial Bank of Manchou

The Industrial Bank of Manchou was organized as a special institution in December, 1936, in accordance with the Industrial Bank Act. The chief function of the Bank is to supply long term credit for industrial purposes; it also engages in general banking business. It has an authorized capital of 30,000,000 yuan, half of which is paid-up. In view of its special mission, the Bank is endowed with the privilege to issue debentures to the extent of 15 times the amount of its paid-up capital. In case debentures are issued outside Manchoukuo, the Government guarantees the pay-

At the close of April, 1941, the Industrial Bank had 59 business places in Manchuria. The business of the Bank has continued to make rapid strides, the deposits balances reaching 764,508,000 yuan in February, 1941. The rate of increase has been remarkable. The gain in the deposits of industrial funds is chiefly responsible for the above result, but deposits in the nature of savings are by no means small in amount, a fact which testifies to the efficacy of the savings campaign. The loans amounted to 1,356,000 yuan on February, 1941, a large expansion due to the increased loans for mining and manufacturing industries. These industries accounted between them for 748,983,000 yuan.

The industrial debentures issued by the Bank as sources for financing industries are not so large in amount; but still the first batch of industrial debentures amounting to 10,000,000 yuan was issued in Japan in September, 1938. Its total amounted to 95,000,000 yuan in March, 1941, representing of seven issues. Also, since 1938, Manchuria savings debentures have been issued seven times. Each of these issues met with excellent reception. The Industrial Bank of Manchou has a subsidiary in the Manchuria Industrial Securities Company, an agency for the sale of industrial and savings debentures as well as for security business in general. Further, in cooperation with the Manchuria Security Exchange, the Industrial Bank is making efforts for building up the security market in Manchoukuo.

Table 5. PRINCIPAL ACCOUNTS OF THE INDUSTRIAL BANK OF MANCHOU

(Cap. 30,000: 15,000 paid up)

(In M¥1,000)

	Reserves	Debentures issued	Deposits	Advances	Securities	Cash on Hand
1937 June ...	—	—	211,137	186,284	75,395	34,563
„ Dec. ...	350	—	244,270	258,995	81,203	15,242
1938 June ...	925	1,995	331,336	288,528	150,213	12,728
„ Dec. ...	1,535	15,987	388,150	412,419	120,616	10,865
1939 June ...	2,145	28,975	529,300	527,242	120,481	31,920
„ Dec. ...	2,795	41,956	568,691	790,373	115,942	15,639
1940 June ...	3,695	74,934	627,343	1,011,927	139,944	18,143
„ Dec. ...	4,595	93,900	739,411	1,294,574	144,177	22,285
1941 Feb. ...	8,195	104,798	764,508	1,356,104	144,483	18,054

Ordinary Banks

In September, 1933, the first Banking Act framed on modern lines was promulgated to rehabilitate the monetary organs in Manchoukuo and to safeguard the depositors. Under that act, the existing institutions were also required to apply for the approval of the Government. After examining the business conditions of these institutions, the Government gave approval to 65 banks. This was the first step for the reorganization of financial institutions. The Government has continued to assist the monetary organs for rationalization and capital increases. At the same time, in order to prevent the concentration of funds and to further the development of local industries, the authorities concerned assisted in the establishment of local banks, beginning with the establishment of the Yinkow Commercial Bank. The new Banking act went into force in January, 1939. This act fixes the minimum capital of financial institutions and imposes the obligation upon them to provide a reserve of a percentage against deposits, thus ensuring the sound development of monetary institutions.

Table 6. PRINCIPAL BANKS IN MANCHOUKUO

(1939)

	Head Office	Capital (M¥1,000)
Special Banks:		
Central Bank of Manchou	Hsinking	M¥30,000
Industrial Bank of Manchou	”	30,000
Domestic Banks:		
Mukden Commercial & Industrial Bank	Mukden	2,200
Mukden Commercial Bank	”	1,000
Mukden Exchange Bank	”	1,000
Shihhokung Bank	”	500
Nikka Bank	Tiehling	500
Yingkow Commercial Bank	Yingkow	1,000
Chenhsing Bank	”	1,175
Kungcheng Bank	Kirin	1,000
Eastern Frontier Commercial Bank	Antung	2,500
Hsiehcheng Bank	”	1,000
Mutankiang Commercial Bank	Mutankiang	500
Kengtsu Bank	Harbin	500
Futeh Bank	”	500
Chungtai Bank	”	500
Tienho Bank	”	500
Harbin Commercial Bank	”	500
Ifa Bank	Hsinking	1,000
Itung Commercial Bank	”	1,000
Hsinking Bank	”	1,000
Japanese Banks:		
Yokohama Specie Bank	Japan	¥100,000
Oriental Development Co.	”	50,000
Other Banks:		
Bank of China	China	S$40,000
Bank of Communications	”	10,000
Hongkong Shanghai Bank	Hongkong	HT50,000
Chartered Bank of India, Australia & China	London	£3,000
National City Bank of N.Y.	U.S.A.	US$127,500

Table 7. OTHER FINANCIAL ORGANS

(M¥1,000)

(A) Kohno Gassaku-sha

	Member Cos.	Reserves	Loans	Deposits		Advances
				Gov't Bk.	Other Bks.	
1940 May	186	1,450	154,678	30,622	50,140	149,889
” June	185	1,753	173,206	25,439	53,467	175,013
” July	186	1,835	179,882	22,494	54,221	185,242
” Aug.	186	2,042	182,305	21,242	53,334	187,423
” Sept.	186	2,498	183,239	19,022	52,852	186,353
” Oct.	186	6,582	198,575	26,210	52,854	182,807
” Nov.	186	9,557	184,116	38,896	60,815	152,052
” Dec.	186	9,192	102,946	49,173	56,501	64,077
1941 Jan.	185	8,302	92,846	51,968	65,702	58,680

(B) Shoko Kinyu Gassakusha

	Member Cos.	Members	Capital	Loans	Deposits	Advances
1940 May	33	23,437	1,555	12,677	30,387	29,851
” June	33	24,027	1,568	13,319	32,329	31,762
” July	33	24,638	1,577	12,867	34,189	32,158
” Aug.	33	24,898	1,572	11,806	36,884	32,558
” Sept.	33	25,206	1,580	11,538	38,388	32,592
” Oct.	33	20,964	1,569	10,553	41,948	32,289
” Nov.	34	26,958	1,476	10,509	45,674	33,892
” Dec.	35	27,646	1,411	11,714	52,419	37,641
1941 Jan.	35	28,371	1,337	12,692	55,516	41,403
” Feb.	35	28,966	809	13,082	58,969	42,725

(C) Kinyu Kumiai (Kwantung)

End of:	No. of Assns.	Members	Capital	Loans	Deposits	Advances
1936	8	9,942	248	860	3,582	3,985
1937	8	11,079	280	1,730	3,763	5,604
1938	11	14,585	328	2,701	6,911	6,852
1939	11	18,105	372	3,442	10,977	9,355
1940	11	26,059	467	4,441	16,304	12,559
1941 Feb.	11	27,396	483	4,381	17,368	13,025

Table 8. LOANS CLASSIFIED BY PURPOSES

(M¥1,000)

		Commerce	Industries	Agriculture	Mining	Others	Total
Industrial Bank of Manchou	1937 June ..	118,692	24,178	2,042	—	41,370	186,284
	„ Dec. ..	137,680	44,270	2,578	1,921	54,845	241,294
	1938 June ..	126,352	63,680	2,882	5,510	72,826	271,151
	„ Dec. ..	170,234	110,714	6,849	8,111	99,590	395,498
	1939 June ..	182,244	113,838	6,105	9,526	119,559	431,269
	„ Dec. ..	191,736	321,813	7,638	70,052	199,133	790,873
Ordinary Banks	1937 June ..	30,574	3,275	435	—	5,562	39,847
	„ Dec. ..	32,429	4,486	364	11	3,057	40,347
	1938 June ..	55,952	6,680	686	47	4,562	67,928
	„ Dec. ..	59,362	8,050	605	43	4,035	72,097
	1939 June ..	46,471	7,018	464	44	3,303	57,300
	„ Dec. ..	85,248	9,708	518	56	3,155	98,685
Japanese Banks	1937 June ..	122,248	3,085	1,743	—	5,095	132,170
	„ Dec. ..	196,053	9,770	1,678	30	6,164	213,696
	1938 June ..	193,128	11,161	1,249	33	4,645	210,183
	„ Dec. ..	325,277	13,437	1,316	—	4,357	344,287
	1939 June ..	307,713	18,217	1,182	—	4,314	331,425
	„ Dec. ..	490,711	18,562	1,042	—	2,857	513,173
Chinese Banks	1937 June ..	16,957	1,069	194	—	2,979	21,199
	„ Dec. ..	12,730	817	270	—	3,512	17,330
	1938 June ..	13,192	1,018	245	—	3,199	17,654
	„ Dec. ..	14,239	906	262	—	2,952	18,359
	1939 June ..	10,841	1,247	301	—	3,261	15,650
	„ Dec. ..	10,837	1,155	194	—	2,567	14,754
European Banks	1937 June ..	20,868	833	—	—	148	21,849
	„ Dec. ..	21,173	841	—	—	4,817	26,832
	1938 June ..	19,876	869	—	—	3,868	24,616
	„ Dec. ..	13,835	898	—	—	3,837	18,570
	1939 June ..	9,942	893	—	—	8,386	19,221
	„ Dec. ..	10,184	—	—	—	970	11,154
Total	1937 June ..	309,338	32,441	4,413	—	55,157	401,350
	„ Dec. ..	400,065	60,185	4,892	1,962	72,394	539,499
	1939 June ..	408,504	83,409	5,063	5,458	89,100	591,533
	„ Dec. ..	582,946	134,006	3,933	8,154	114,772	848,811
	1939 June ..	557,212	141,213	8,051	9,566	138,822	854,865
	„ Dec. ..	788,718	351,237	8,393	70,108	208,682	1,428,138
	%	55.0	24.6	0.7	4.9	14.6	100.0

Financial Organs for Common People

In Manchuria where by far the greater portion of the population is agricultural, financial organs for the common people, especially for the farmers must play a highly important part. During the old regime, however, there were few such organs except for pawn establishments and Japanese credit associations. Since the inauguration of the new State cooperative credit associations and the Tahsing Kungssu, etc. were newly established. Reorganization has been and is to be effected also in this sphere. The cooperative credit associations above mentioned are to be shortly divided into rural and urban associations, and the former to be amalgamated with agricultural development cooperative associations.

Table 9. NO. OF MONETARY ORGANS

(End of 1939)

(A) Manchoukuo

	Head Office	Branch Office	Agents	Total
Central Bank of Manchou	1	139	4	144
Industrial Bank of Manchou ..	1	39	5	45
Ordinary Banks	45	90	47	182
Japanese Banks	—	10	—	10
Chinese Banks	—	15	4	19
European & American Banks ..	—	3	1	4
Kinyu Gassaku-sha	145	12	219	376
Kinyu Kai	39	7	2	48
Kinyu Kumiai	14	—	—	14
P.O. Savings:				
Manchoukuo side	540	—	118	658
Japanese side	127	—	—	127
Mujin	12	4	4	20
Total	924	319	404	1,647

(B) Kwantung

	Head Office	Branch Office	Agents	Total
Central Bank of Manchou	—	1	—	1
Industrial Bank of Manchou ...	—	7	1	8
Chinese Banks	—	4	—	4
Japanese Banks	—	9	—	9
European & American Banks ..	—	2	—	2
Kinyu Kumiai	11	—	—	11
P.O. Savings	44	—	—	44
Mujin	3	—	—	3
Total	58	23	1	82
GRAND TOTAL	982	342	405	1,729

Table 10. STATISTICS OF POSTAL SAVINGS

	Manchoukuo Side					Japanese Side				
			End of year					End of year		
	Amount of deposits (¥1,000)	Amount of Withdrawals (¥1,000)	No. of depositors	Amount (¥1,000)	Deposits per capita (Yen)	Amount of deposits (¥1,000)	Amount of withdrawals (¥1,000)	No. of depositors	Amount (¥1,000)	deposits per capita (Yen)
1933	401	184	10,769	217	20.14	—	—	378,764	32,671	86.25
1934	1,319	918	21,314	631	29.61	38,769	32,108	437,636	38,249	87.40
1935	4,005	2,300	72,675	2,336	32.14	45,161	38,622	522,879	44,771	85.62
1936	11,211	6,438	103,909	7,107	68.39	47,918	42,319	595,031	50,019	84.06
1937	22,628	13,146	204,643	17,304	84.50	47,480	41,032	664,559	57,737	86.88
1938	77,031	42,722	638,003	51,613	80.80	49,004	49,316	625,965	57,941	92.56
1939	139,797	88,780	1,152,922	102,731	89.10	50,549	49,090	596,046	58,800	93.65
1940	272,834	207,423	1,787,896	168,142	94.00	51,971	48,658	609,930	62,113	101.80

Table 11. STATISTICS OF POSTAL MONEY ORDERS

(Unit: ¥1,000)

	Domestic		Manchoukuo-Japan		Manchoukuo-China		Others		Total	
Year End	Issued	Paid	Issued	Paid	Issued	Paid	Issued	Paid	Issued	Paid
1934	7,576	7,679	3,484	503	—	—	—	—	11,060	8,182
1935	9,536	9,540	6,862	1,109	1,993	679	—	—	18,391	11,328
1936	15,790	15,374	15,901	4,578	5,201	1,170	0.3	3	36,892	21,125
1937	37,061	29,656	27,825	8,026	5,001	1,440	0.4	3	69,888	39,125
1938	73,962	61,146	71,039	18,130	1,345	1,031	168.1	1,293	146,514	81,600
1939	97,172	89,691	124,703	23,426	2,993	1,891	367.8	1,248	225,236	116,255
1940	152,607	133,733	207,943	31,135	6,145	3,325	374.7	1,767	367,069	169,960

Exchange Control Law

In order to prevent the flight of capital from the country and to restrict speculation in bullion and exchange, the Manchoukuo Government on November 20, 1935 promulgated the Exchange Control Law and two relative ordinances of the Department of Finance, these measures coming into force on December 10, 1935. The adoption of these measures had an exceedingly smooth effect in that the stability of commodity prices was not impaired in any way by the divorcing of the yuan from silver. As a result, although the currency system of Manchoukuo prescribes a fixed quantity of pure silver as the unit of monetary value called the

Yuan, the national currency is in fact linked with the Japanese Yen and is a "controlled currency based on the Japanese Yen."

Exchange Control Revision. The Manchoukuo Government on July 11, 1940, promulgated a revision of exchange control legislation, which went into effect from July 15.

1. Prohibition of circulation and exchange of foreign currencies, including the North China Federal Reserve Bank notes and the Mongolian Bank notes, in Manchoukuo.
2. Restriction of exportation of Japanese and other foreign currencies.
3. The limit of currency which may be taken out of the country by travellers is reduced from 500 to 50 yuan.
4. Restriction of amount of Japanese notes and foreign currency which may be brought to Manchoukuo. The limit of foreign currencies to be brought in by travellers will be reduced from 200 to 50 yuan.
5. The limit of 500 yuan for annual remittances abroad will be abolished, and all remittances will be put under a permit system.

Freezing of American and British Assets

In retaliation against the freezing of Japanese assets in the British Empire and the United States and other countries belonging to the Anglo-American bloc, the Manchoukuo government approved the strengthening of the existing Foreign Exchange Control Law on July 30, 1941, the same taking effect from the following day. By the revisions that were made to the Law British and United States assets in Manchoukuo became subject to freezing.

Clause 2. The Government may, in accordance with orders stipulated elsewhere, designate countries and prohibit or restrict the following transactions or actions by nationals and juridical persons of these countries, their nationals resident in Manchoukuo, or by juridical persons connected with the designated countries.

(1) Acquisition or disposal of immovable property and other important property.

(2) Loan, deposit or receipt of immovable property, movable property or securities.

(3) Cancelling of credits and debts, and guarantee or acceptance of debts.

(4) Advance or recovery of loans, borrowing or refund of loans, depositing or withdrawal of funds, acceptance or payment of deposits.

(5) Acquisition or disposal of Manchoukuo or Japanese currency.

Clause 3. The Government may in accordance with orders stipulated elsewhere, prohibit or restrict transactions or actions mentioned in the foregoing clause or with these persons as parties to such transactions or actions.

The following announcement was made by the Government in connection with the strengthening of the Foreign Exchange Control law:

"As a retaliatory measure against the freezing of Japanese assets by Britain, the United States and the Netherlands East Indies, the Manchoukuo Government, in accordance with the basic principle of Japan-Manchoukuo unity, has made necessary changes in the Foreign Exchange Control Law. In accordance with these changes, regulations for controlling transactions by foreigners have been promulgated. As regards the operation of these regulations as much elasticity as possible has been given by enforcing a comprehensive permit system and other methods, taking into consideration the application of the freezing orders against Japan by third powers."

Table 12. MANCHOUKUO YUAN FOREIGN EXCHANGE RATES

	On Japan		On New York		On London		On Shanghai	
	Rate (¥)	Index	Rate ($)	Index	Rate (s.d.)	Index	Rate (Yuan)	Index
1932								
July	73.19	100.0	20.10	100.0	1–1.57	100.0	95.72	100.0
December ..	96.82	132.3	20.19	100.4	1–2.79	108.8	100.70	105.2
Average ...	90.93	124.2	21.07	104.8	1–2.84	109.4	98.48	102.9
1933								
June	99.37	135.8	25.16	125.2	1–2.65	108.0	97.70	102.1
December ..	109.39	149.5	32.56	164.0	1–3.37	113.3	100.32	104.8
Average ...	101.34	138.5	25.72	128.0	1–2.62	107.7	98.41	102.8
1934								
June	107.26	146.6	31.90	158.7	1–3.06	111.0	97.82	102.2
December ..	109.70	149.9	31.43	156.3	1–3.23	112.2	99.00	103.4
Average ...	110.83	151.4	32.59	162.1	1–3.51	114.3	97.50	101.8
(Continued)								
1935								
June	104.33	142.5	30.00	149.3	1–2.58	107.4	79.88	83.5
December ..	100.00	136.6	28.71	142.8	1–1.99	103.1	97.65	102.0
Average ...	104.77	143.1	29.92	148.8	1–2.29	107.8	86.9	90.8
1936								
June	100.00	136.6	29,33	145.9	1–2.00	103.1	98.80	103.2
December ..	100.00	136.6	28.50	141.8	1–1.96	102.8	97.28	101.6
Average ...	100.00	136.6	28.56	144.2	1–2.00	103.2	98.03	102.4
1937								
June	100.00	136.6	28.75	143.0	1–2.00	103.2	86.38	100.7
December ..	100.00	136.6	29.13	144.9	1–2.00	103.2	98.05	102.4
Average ...	100.00	136.6	28.78	143.2	1–2.00	103.2	96.31	100.6
1938								
June	100.00	136.6	28.91	143.8	1–2.00	103.2	—	—
December ..	100.00	136.6	27.23	136.2	1–2.00	103.2	—	—
Average ...	100.00	136.6	28.43	141.4	1–2.00	103.2	—	—
1939								
June	100.00	136.6	27.11	134.9	1–2.00	103.2	—	—
December ..	100.00	136.6	23.44	116.6	1–2.31	105.5	—	—
Average ...	100.00	136.6	25.97	129.2	1–2.05	103.5	—	—
1940								
June	100.0	136.6	23.44	116.6	1–3.64	115.3	—	—
Dec.	100.0	136.6	23.44	116.6	1–2.00	103.2	—	—
Average	100.0	136.6	23.44	116.6	1–2.74	107.4	—	—

Table 13. AMOUNT OF BILLS CLEARED AT CLEARING HOUSES

	Hsinking		Mukden		Dairen		Total	
	bills	(M¥1,000)	bills	(M¥1,000)	bills	(M¥1,000)	bills	(M¥1,000)
	No. of	Amount	No. of	Amount	No. of	Amount	No. of	Amount
1934	16,856	21,694	92,182	91,992	560,446	2,304,557	669,484	2,418,243
1935	100,450	100,676	136,926	201,716	561,280	2,681,812	798,656	2,984,204
1936	142,624	191,237	262,855	379,212	572,843	2,269,473	978,322	2,839,923
1937	145,308	250,882	241,918	339,059	549,538	2,263,811	936,764	2,853,752
1938	204,425	468,228	328,993	562,257	618,036	3,211,905	1,151,454	4,242,390
1939	263,604	818,299	519,452	1,062,685	805,864	4,772,372	1,588,920	6,653,357
1940	419,332	1,364,789	676,132	1,706,783	806,288	4,132,598	1,901,752	7,204,171

CURRENCY

Manchoukuo is at present on a managed currency system. The state currency was established and enforced by the Currency Law promulgated in June 1932. The yuan nominally containing 23.91 grammes of pure silver is the unit of the value. The right of minting coins and of issuing notes is an exclusive right of the Government. It is exercised by the Central Bank of Manchou by order of the Government. The yuan is divided decimally into the "Chiao" (1/10 of the yuan), the "fen" (1/100 of the yuan) and the "li" (1/1,000 of the yuan).

The Central Bank of Manchou must have a reserve fund in gold or bullion, reliable foreign money, or gold or silver money deposited with foreign banks, corresponding to not less than 30 per cent. of the total value of the note issue of the Bank. The Bank should have a security reserve in the form of public bonds, or bills issued or guaranteed by the Government, or other reliable bills or bonds against the note issue beyond the currency reserve mentioned above.

Currency Stabilization. The Central Bank of Manchou at first followed the policy of maintaining the value of the Yuan equal to the price of 23.91 grammes of pure silver and was able to retain its stability through the control of money in circulation and also through transactions in silver and exchange on Shanghai. However, it was not long before it was found extremely disadvantageous to continue linking the yuan with silver, owing to the United States embarking upon a silver purchasing programme. Affected by the United States' policy of boosting the price of the white metal, the price of silver, dissociating itself from general commodity prices, began to move upward from the autumn of 1934, and as a consequence the equilibrium between silver and commodity prices was broken, causing a rise in currency values and a fall in commodity prices in the countries with silver currencies. In order to reduce the disturbing effects of the violent fluctuations in the value of silver to the minimum, the Central Bank watched the developments in the silver situation and endeavoured to prevent any violent changes in currency values and commodity prices by managing its currency so that its rise was limited to only one half of that of silver. In this way the Central Bank, while keeping an eye on the silver situation, neither linked its currency to silver nor divorced it from the white metal. This policy was pursued until March, 1935.

In the meantime, the fluctuations in the price of silver became increasingly violent; the London bar silver quotation on April 25, 1935 advanced to about 34 pence from 32 pence or so the previous day, and rose sharply further to over 36 pence the next day, but soon dropped to around 33 pence again, manifesting a very erratic tendency. Awakening to the fact that if the national currency continued to be linked with silver, its value would rise and fall violently and cause serious disturbances to the economic world, the Central Bank finally decided to divorce the national currency from silver and shifted over to the policy of a simple managed currency, having for its object the stabilization of commodity prices. As a result the internal value of the currency was stabilized notwithstanding the drastic rise in the price of silver abroad. Commodity prices also became stable.

At the time the Manchoukuo currency was first completely divorced from silver, the Yuan retained a relatively stable value in relation to the Japanese Yen at around 107 and 108 Yen against 100 Manchoukuo Yuan. But when the Manchoukuo currency began to have a stable relation to the Japanese currency, without being influenced by the fluctuations in the price of silver, it became to be generally talked about that the Manchoukuo currency was being controlled with the object of bringing it to par with the Japanese currency. This view gradually gained ground, and the value of the national currency which had been stabilized against the Japanese Yen at around 107 to 108 Yen gradually approached the Japanese Yen in value. Thus step by step, through the months of May, June, July and August, it became closer to Yen, finally reaching parity in September, 1935. It has remained so ever since.

RECENT SITUATION

There have been registered marked gains in the circulation of national currency and in the advances by the Central Bank, as trends parallel with the increasing issuance of state bonds. The total circulation of currency as of December 28, 1940 amounted to ¥1,115 million, an increase of ¥340 million over the same date a year ago and also a gain of ¥740 million as compared with the corresponding period of 1936 or the year preceding the launching of the 5-year plan. A similar trend of inflated circulation is also indicated by the progressive gains in bank advances against which bank deposits have been gaining only at a retarded pace. This situation is being met by encouragement of popular savings which are being done through both banks and post-offices. The special savings drives launched in August, 1940, have been attended with more or less encouraging results.

Further, as part of the central financial policy of Manchoukuo, the first local debenture loan in the history of the country was issued in 1940. This loan issued by the local government of Pinkiang Province, amounting to the total of ¥27 million, is to be applied to civil engineering works to prevent floods in the area along the Sungari and the Amur. Another new financial undertaking was seen in April, 1941, when the Tai Hsing Kung Ssu inaugurated a premium system for monthly installment savings.

Increasing attention is being given to the matter of absorbing native capital. This section of popular funds in the past operated independently of the yen currency. It used to be loaned out at usurious rates such as 10 to 15% for commercial use, 35 to 36% for agricultural use, there being not infrequent cases of charging as much as 120% per annum. But the field for such capital operations has been gradually shrinking to make the popular money lenders turn to new objects for their loans. Moreover, those who have yearly been remitting a total of ¥140 to ¥150 million for interest to North China which is the main source of such capital funds are no longer able to do so in consequence of the exchange control system now in force. As a consequence, deposits at the banks have been moving upward. The banks of native affiliations which are 30 odd in number accounted for total deposits amounting to approximately ¥200 million in 1940, a substantial gain of ¥70 million over the the previous year. Some part of these accumulating funds at the native banks is being absorbed by the Central Bank through transfers of loans. But the major portion of native funds which are computed in excess of ¥1,000 million still remains in private hands. The transfer of idle equipment from Japan for the manufacture of consumer goods, particularly daily necessaries, is suggested as a practical way of capital absorption.

Table 14. NOTES ISSUED AND AMOUNT OF RESERVES OF THE CENTRAL BANK OF MANCHOU

(Mount M¥1,000)

	Notes Issued				Reserves				
	Year end	Highest	Lowest	Average	Specie	%	Security Reserves	Subsidiary Coins	Total
1934	168,333	168,333	97,855	119,630	74,819	44.4	93,514	15,772	184,105
1935	178,656	179,208	108,594	136,512	92,231	51.6	86,425	20,284	198,940
1936	254,243	257,191	125,270	159,480	177,181	69.7	77,062	20,449	274,692
1937	307,490	317,944	171,892	211,570	208,097	67.7	99,393	22,419	329,909
1938	425,738	430,145	254,370	288,267	216,309	50.8	209,428	27,159	452,897
1939	623,621	636,697	369,301	428,319	323,988	51.9	299,633	33,725	657,346
1940	947,051	970,908	845,035	899.529	368,488	38.9	578,563	44,179	991,229

Table 15. AMOUNT OF GOLD PURCHASED BY THE CENTRAL BANK OF MANCHOU

	Purchased		Cumulative	
Year:	Volume (gram)	Value (M¥)	Volume (gram)	Value (M¥)
1932 (2nd half)	703,040	2,053,635	703,040	2,053,635
1934	1,199,291	3,814,417	1,902,331	5,868,052
1935	4,243,166	14,684,192	6,145,497	20,552,244
1936	3,608,539	12,635,769	9,754,036	33,188,013
1937	3,737,530	13,809,438	13,491,566	46,997,451
1938 (1st half)	1,289,765	4,900,189	14,781,331	51,897,640

Note: Exclusive of amount of gold held before the enforcement of gold purchasing law, which amounted to 2,196,091 grams valued at 6,218,340 yuan.

Table 16. GOLD PURCHASE RATE OF CENTRAL BANK OF MANCHOU

(M¥ per one gram)

Rates changed	Purchase price	Rates changed	Purchase price
1933 June 28	2.47	1933 Dec. 31	2.90
„ July 2	2.39	1934 Feb. 4	3.00
„ July 9	2.31	„ Feb. 25	3.10
„ Aug. 13	2.40	„ May 13	3.20
„ Aug. 20	2.45	„ Nov. 11	3.25
„ Aug. 27	2.39	1935 Jan. 6	3.35
„ Oct. 8	2.55	„ Mar. 17	3.45
„ Oct. 29	2.75	„ Aug. 4	3.50
„ Nov. 12	2.85	1937 May 15	3.77
„ Nov. 19	2.95	1938 Apr. 30	3.85

INSURANCE

Japanese Enterprise. The development of the insurance business in Manchuria is comparatively of recent origin, dating back as it does to the termination of the Russo-Japanese War. Prior to the war insurance was under foreign management and very inactive. Insurance under Japanese management was started in Manchuria soon after the Russo-Japanese War when in February, 1906 an agency of the Meiji Life Insurance Company was opened at Dairen. Property insurance under Japanese management in Manchuria was initiated in the following year when an agency was set up at Dairen by the Nippon Fire Insurance Company and the Kyodo Fire Insurance Company. Owing to the ever increasing number of Japanese residents and their economic development, the insurance business in Manchuria eventually attained the present growth. Barring the Dairen Fire and Marine Insurance Company whose head office is located at Dairen, in the districts under the former Japanese jurisdiction there are more than 100 branches and agencies of Japanese insurance companies registered in Japan.

Table 17. STATISTICS OF INSURANCE BUSINESS

(A) Life Insurance

	New Contracts & other increase		Decrease		Outstanding		Premiums Received
1939	(1,000)	(¥1,000)	(1,000)	(¥1,000)	(1,000)	(¥1,000)	(¥1,000)
June ...	44.2	22,862	6.6	3,946	491.0	431,418	1,532
Dec.	24.3	32,603	14.0	11,957	611.8	520,511	3,526
1940							
June ...	38.7	33,008	15.5	7,492	776.6	652,588	2,607
Dec.	28.2	25,367	16.9	8,587	813.6	714,706	2,595
of which							
a.	8.9	21,950	3.4	6,558	282.2	634,879	2,036
b.	4.3	7,483	1.5	1,964	78.1	116,000	441
c.	19.2	3,417	13.4	2,029	531.4	99,827	559
Total ..	28.2	25,367	16.9	8,587	813.6	714,706	2,595

Note: a. represents all private insurance companies
b. Manchou Life Insurance Co. only
c. Post Office Life Insurance only

(B) Property Insurance (Manchu Fire Ins. Co.)

	New Contracts & other increase		Decrease		Outstanding		Premiums Received
	(1,000)	(¥1,000)	(1,000)	(¥1,000)	(1,000)	(¥1,000)	(¥1,000)
1939							
June ...	39.2	48,627	25,958	32,948	184.8	719,831	258
Dec. ...	229.9	328,052	56,939	332,924	460.5	914,567	969
1940							
June ...	56.6	200,712	39,055	46,496	560.2	1,521,791	469
Oct. ...	68.2	282,988	30,304	110,403	981.1	2,167,812	788

Life Assurance. Excepting the amount of contracts entered into with a very small number of companies under Chinese management, the greater portion of life policies issued in Manchoukuo are represented by Japanese concerns. The war boom proved a great impetus to the life assurance business in Manchuria. All industries have been affected by the post-war depression, but life assurance has steadily developed without feeling the effects of the depression. This is ascribed in part to the gradual spread of a knowledge of insurance among the Manchus.

Postal Life Insurance. A law regulating postal life insurance was drafted by the Manchoukuo Department of Communications and approved at the State Council meeting on August 30, 1937. The main points of the postal insurance of the Manchoukuo Government follows:—

1. Simple Government life insurance, as a non-commercial enterprise, will be taken charge of by the Communications Department through postal organs. All Manchu people are eligible for the insurance policy (Japanese, too).
2. The fund accumulated as premiums on the policies will be invested in profitable and sound enterprises, such as to promote public welfare.
3. A committee will be established as a consultative body on the use of the reserve fund.
4. Life insurance will be limited to above 50 yuan and less than 450 yuan.
    - A. Whole-term insurance: Papments for 10 years, for 20 years or for life.
    - B. Ordinary endowment insurance: Payments for 10

years and maturity in the 15th year. Payments for 15 years and maturity in the 20th year.

6. Ages: **From** 15 to 60 years.
7. Payments of insurance: Monthly payment at post offices.
8. The insured will not be medically examined but will be inspected at a personal interview at the post offices where insurance policies will be issued.
9. The Government will do its utmost for advancement of the life insurance management and a fair dividend will be delivered to all insurance holders in future, whenever the insurance enterprise earns a surplus.

Property Insurance. As stated above, soon after the termination of the Russo-Japanese War, Japanese fire insurance companies established agencies at Port Arthur. Owing to the fact that later Dairen developed so remarkably that it became the economic centre of Manchuria, Japanese insurance companies which had established their agencies elsewhere all removed them to Dairen. Especially remarkable was the activity shown by foreign transport and marine insurance companies, whose attention had been drawn to active shipments of Manchurian products from the port of Dairen. In fire insurance too, foreign companies exercised predominant influence as the Japanese companies were still feeble in foundation. Since the conclusion of the World War, however, the relative positions of the Japanese and foreign firms have been reversed.

The Dairen Fire Insurance Company referred to above was established in August, 1922 with a capital of ¥2,000,000 (of which ¥500,000 was paid up) with the assistance of capitalists in Japan, the Tokyo Marine Insurance Co., and the Taisho Marine Insurance Co., and the South Manchuria Railway Co.

Kwantung Province Fire Insurance Society

In sympathy with a swift expansion of the financial world of Japan, the competition between Japanese and foreign insurance companies in Manchoukuo had become so severe as to steadily force down premium and in turn lower their respective positions. At last all companies began to urge the crying need of preventing a lowering of premium. As a result, on December 17, 1934 the Kwantung Province Fire Insurance Society was established at Dairen and on February 1, 1935, an agreed upon rate of premium which was on an average 35 per cent higher than had hitherto ruled, was put in force.

New Insurance Business Law. The Insurance Business Law of Manchoukuo, comprising thirty-seven articles was promulgated on December 27, 1937 for immediate enforcement. According to the law only insurance companies which obtain Governmental permit can be engaged in insurance business in Manchoukuo (Article 1). They are required to obtain Governmental permit when they intend to establish their agencies (Article 7).

When persons with their principal companies, head-offices or permanent addresses outside of Manchoukuo intend to start insurance business in its territory, they are required to establish their branch offices within Manchoukuo and to obtain Governmental permit. Persons who have obtained permits in accordance with the above provision are to be treated as insurance companies stipulated in this law. But in this case, the Government is authorized to provide, by order, special regulations in spite of the Articles 9, 10, 12, 15, 17 and 22. The Minister of Finance and Commerce is authorized to provide necessary restrictions to the Governmental permit mentioned above (Article 23).

In the supplementary, it is stipulated under Article 34 that, those persons who are already engaged in insurance business at the time of enforcement of this law are required to apply for Governmental permits by June 30,1938. The same applies to agencies (Article 35). They, however, may continue their insurance business until they obtain Governmental permit or until their application is rejected (Article 36).

Establishment of Manchuria Fire and Marine Insurance Company. The Manchuria Fire and Marine Insurance Company held its inaugural meeting on December 1, 1937 at Hsinking. It has a monopoly over the insurance business in Manchoukuo, side by side with the Manchuria Life Insurance Company. In addition to its primary business, the Company is required to play an important role in checking the flight of capital and in strengthening the domestic money market in concert with the Central Bank of Manchou, Industrial Bank, Manchuria Life Insurance Company, etc. Important problems created by the establishment of this Company concerning foreign insurance firms in Manchoukuo are dealt with in the Manchoukuo Insurance Business Law.

The Company is capitalized at five million yuan, one-fourth of which is paid-up. With its headquarters in Hsinking, the Company will have its branches in Dairen, Mukden and Harbin. The capital of the Company was subscribed as follows:

Dairen Fire Insurance Company	M¥1,000,000
Kokusai Unyu Kaisha	100,000
Tahsing Kungssu	100,000
Industrial Bank of Manchou	100,000
Tokyo Marine Insurance Company	732,500
Other 33 Fire Insurance Firms in Japan	2,967,500
Total	5,000,000

CHAPTER IX

COMMERCE

Introductory Remarks

The commercial activities of Manchuria, prior to the establishment of the new state, were confined mainly to transactions in agricultural products for the foreign and domestic markets and in imported consumption goods. Since the foundation of Manchoukuo business in capital goods has taken an important position in trade due principally to the large-scale industrial construction programme now under way. The greater portion of the trade is transacted through Japanese business houses which are mostly located in Dairen, Mukden and Hsinking, with branches in other prominent cities of Manchuria.

The business undertaken by the Manchurians are almost without exception in consumption goods. There are also quite a number of large foreign firms located in the country, representing American, British, German and White Russian interests in the main. These companies, with the exception of those operated by White Russians, are mostly active in the wholesale trade.

Manchurian Shops. Shops managed by Manchurians may be divided into two general categories: those under individual management and those under joint management. The former are on the whole similar to private shops in Japan; in the latter class the owners or capitalists are known as "tsaitung", but actual management is entrusted to managers who are called "changkueiti". Depending upon their size and business, these shops under joint management have a staff of several or scores of employees including "hsiao (small) changkueiti" and "huochi". These Manchurian shops maintain close relations with one another, and by binding themselves firmly together, they promote and safeguard their common interests, avoid unfair competition among themselves, assist one another in making purchases and in promoting sales, and work for the settlement of disputes among their colleagues.

Trade Names of Manchurian Shops. Characters most frequently used for the trade names of Manchurian shops are limited to about 50 out of some 40,000 characters in the Chinese language. These select characters are mostly those which connote happiness and good fortune, or convey some moral meaning or an aesthetic sense, and characters taken from names of countries and places. The last characters of the trade names, moreover, designate the kind of trade in which each shop or firm engages, a few examples of which follow: 行 (hang), commission merchants and middlemen. 棧 (chan), warehouses and inns. 公司 (kungssu), companies. 廠 (chang), factories. 莊 (chuang), money exchange brokers and dry-goods stores.

Manchoukuo Corporation Law

As a provisional measure the Government of Manchoukuo in the first year of its founding in 1932 adopted by Ordinance No. 3 the Corporation Law of China promulgated in the 18th Year of the Republic. Though this law was originally based on the provisions of the chapter on corporations of the existing Japanese Commercial Code, it had a considerable number of defects from the standpoint of legislative technique. Moreover, there were many doubts as to its interpretation. The authorities of the Manchoukuo Department of Justice consequently began deliberations on the drafting of a new corporation law, which was finally promulgated on June 24, 1937, and enforced on December 1 of the same year. It comprises five chapters with 448 articles in all, embodying numerous progressive revisions of the old law. It was on the whole drafted along the lines of the chapter on corporations in the Japanese Commercial Code.

Agencies for the Promotion of Commerce

The improvement and development of trade and industry is the principal object of the shang kung kung hui (chamber of commerce and industry). Specifically it furnishes business and industrial connections, effects adjustments in matters relating to commerce and industry, mediates in, and passes judgment upon, disputes involving business and industry, gathers reports on both, offers guidance, acts as intermediary, gives explanations and expert opinions, makes appraisals, conducts investigations and other kindred tasks. Its membership embraces all those who are qualified therefor by law. The guiding and operating bodies of the shang kung kung hui are the general council and the executive officers. The former consist of persons selected by the Government and those who are chosen by a selection committee commissioned by the Government. The executive officers comprise the chairman, the vice-chairman and directors.

The organization of this agency for the encouragement of trade and industry was made possible by the enactment of the Shang Kung Kung Hui Law in December, 1937. All such Japanese organizations as the "shoko kaigisho" (chambers of commerce and industry), the "jitsugyo-kai" (business societies) and the "shoko-kai" (commerce and industry societies), and the organizations of Manchurian businessmen, the "kung i hui" (chambers of commerce) and the "shang wu hui" (business societies) were amalgamated with the new shang kung kung hui formed under the aforementioned law.

Table 1. NO. OF CHAMBER OF COMMERCE AND INDUSTRY
(October, 1939)

Location:	No.	Location:	No.
Hsinking	1	Mutankiang	1
Mukden	20	Jehol	4
Pinkiang	20	Hsingan N.	2
Tungan	—	Tunghua	1
Peian	—	Sankiang	4
Kirin	19	Heiho	1
Chinchow	18	Hsingan S.	1
Antung	8	Hsingan E.	2
Chientao	4	Hsingan W.	2
Lungkiang	11	Total	119

Import Guilds

First organized in Dairen in 1927, the import guild has since made its appearance in 16 other principal cities in South Manchuria. It is an agency specially devoted to the promotion of Japanese retail business. These guilds were originally organized with funds advanced by the South Manchuria Railway Company. In order to promote and assist Japanese retail business, the guilds strive to expand markets for Japanese products, make joint purchases of fresh stocks of goods, advance funds at low interest to their members, introduce improvements in shop management, shop customs and in the methods of ordering new supplies of goods, offer their good offices to their members in replenishing stocks, act as intermediary for commission sales, and work for a reduction of freight rates and other charges. The import guilds have rendered much service to business and industrial circles in Manchuria.

Table 2. CONDITION OF IMPORT GUILDS

	Members	Member unions	Supscription (¥1,000)	Advances: Advanced (¥1,000)	Advances: Redeemed (¥1,000)	Advances: Outstanding (¥1,000)
1935	1,273	340	2,346	—	—	3,461
1936	1,279	342	2,447	17,769	17,956	3,254
1937	1,377	363	2,586	18,620	18,307	3,567
1938	1,352	370	2,658	19,980	19,950	3,597
1939	1,423	—	—	16,022	14,056	4,099

Exchanges

Exchanges are of two kinds, one of which is managed by the State, and the other by private interests. Among those coming under the former category are the exchanges in Dairen, Hsinking and Harbin, which deal in staple produce or in business relating thereto. The privately-managed exchanges include the Dairen Stock and Commodities Exchange, the Antung Exchange and the Manchu Exchange in Mukden. These exchanges deal mostly in securities, cotton yarn, cotton piece-goods, gunny bags, wheat flour and sugar.

Markets

There are two Japanese-owned markets, the Kwantung Territory Central Wholesale Market and the Kwantung Territory Aquatic Products Association Fish Market. Markets in Manchoukuo are regulated by the Provisional Aquatic Products Market Law and the Central Wholesale Market Law enacted and enforced in 1934. Under the latter law two central wholesale markets have been opened, namely at Harbin and Kirin. Similar markets are also projected in Hsinking, Mukden and Tsitsihar.

Warehousing

The warehousing business in Manchuria originated in the Dairen Warehousing Company which began to show activity in 1909. During the war boom more than 40 warehousing companies were brought into being. Since the post-war economic depression set in 1920, the business has dwindled. The warehousing business under the management of the S.M.R. alone has steadily developed without being affected by the depression. The godowns run by the S.M.R. Company are in no way behind those in the advanced countries of the West in scope, accommodating capacity and general equipments.

The S.M.R. warehousing business is so predominent that it represents about 90 per cent of goods in the godowns in all Manchuria. Besides the S.M.R. godowns, there are twelve principal warehousing companies in Manchoukuo, four of them being in Dairen, two in Mukden, two in Hsinking, three in Harbin and one in Fushun.

Principal goods handled by these godowns are soya-bean, beancake, kaoliang, maize, rice, red beans, irons, wheat flour, cement, petroleum. In view of the sharp increase in imports and poor accommodating capacity the Manchou Import Federation started a co-operative import warehouse for its members at the end of July, 1935. The warehouse, which was completed towards the end of the year, is placed under the supervision of the Manchou Import Company, which was established in August, 1935.

S.M.R. Warehousing. It was in September, 1911 that the S.M.R. Company opened the warehousing business. Prior to this, or in 1908 the Company instituted a small-scale warehousing facility in the Dairen pier compounds; in 1919, it introduced the open-air storage system at the leading stations along its lines and in 1911 inaugurated the present up-to-date warehousing system at the Dairen waterfront and along its railways. At present there are 70 godowns with an aggregate floor space of over 385,000 square metres on the piers and within the pier compounds of the Dairen harbour and no less than 199 godowns with an aggregate floor space of 154,000 square metres at 3 leading stations. The cargoes handled at these godowns amount to over 11,600,000 tons a year, 60% of which are beans and bean products.

It is of special importance to note that, in order to facilitate the shipment and marketing of soya-beans, the Company had inaugurated what is known as the mixed-storage system, first at the Dairen pier in 1912 and then gradually at Mukden, Kaiyuan, and other centres on the main line. Under this unique system the Company grades and classifies beans at receiving points according to qualities and weights and issues receipt which are negotiable at banks and which call for like quantities and qualities of beans at the specified terminal points. The system was so successful that it was later extended to bean-cake, bean-oil and wheat. It is also significant to add that the Company, with the inauguration of its warehousing facilities introduced the practice of the insurance on all goods in storage at the Company's godowns, entirely free of charge to the shippers.

Manchoukuo Enterprise. The warehousing business under Manchoukuoan management is still in a primitive stage of development. It consists simply in receiving goods for custody for a small amount of fees. No warehousing certificate is issued. Nor any means of affording credit is provided. Besides, there is another sort of warehousing agent known as "Liangchan," which exercises superb influence over the trade in special Manchurian products. Besides receiving goods for custody it runs hotel and financial business. Its godowns occupy a very important position outside the S.M.R. zone, but they are out of comparison with the Manchu and other godowns under Japanese management in point of storage and equipments.

Price Control

The Price Committee consisting of Government officials and representatives of special companies after several meetings in 1939 decided on the principles of price control to be enforced. The object of the price control is not only to check an undue price advance, but the harmonization of the price level with requirements from the viewpoint of the expansion of production capacity.

Principles of Price Control. (a) Price of domestic commodities shall be stabilized on a comparatively low level, compared with the present level in Japan and Manchoukuo. (b) As regards articles imported from Japan, a balance shall be maintained between prices in Japan and Manchoukuo. (c) As regards export commodities, special consideration shall be given to conditions in oversea markets. (d) For non-essential commodities, comparatively high prices will be allowed in order to check consumption.

Methods of Price Control. (a) Consideration will be given to checking a future price advance and to price adjustment among various groups of commodities. (1) Distribution will be organized in grains as the main national food. (2) The volume and price of necessaries for daily consumption which are imported from Japan will be placed under special control of the Japanese and Manchoukuo Governments. (3) Measures shall be taken to mitigate the shortage of houses and to check an advance in house rents. (4) Control of wages.

(b) Special organizations, national and local, shall be established to enforce the above methods. These organizations will be intimately connected with adjustment committees for raw materials.

Table 3. INTERNATIONAL COMPARISON OF WHOLESALE PRICES

(Index: 1933=100)

Average	Hsinking	Dairen	Japan	Tientsin	Shanghai	England	U.S.	Germany
1934	92.6	102.2	99.0	91.3	93.5	101.1	113.8	105.5
1935	103.4	106.8	103.3	84.8	92.9	104.3	121.4	109.1
1936	106.1	108.4	109.6	109.9	104.5	110.9	122.6	111.6
1937	125.1	124.8	132.7	129.2	124.4	129.8	131.0	113.6
1938	149.8	151.4	140.0	167.2	146.0	110.6	119.1	114.5
1939	181.3	192.2	154.6	248.6	236.4	106.1	116.8	114.9
1940	224.2	247.7	173.4	439.6	—	147.0	118.6	117.8
Sept.	213.3	251.3	171.6	450.1	518.0	157.7	118.1	118.3
Oct.	228.3	246.1	172.5	453.5	552.1	155.5	118.7	118.5
Nov.	232.6	247.5	173.1	455.6	571.0	157.2	118.7	118.8
Dec.	239.6	247.6	173.4	449.8	593.2	158.7	119.9	118.9
1941								
Jan.	245.6	237.2	174.7	467.6	636.6	161.2	121.5	119.4
Feb.	244.1	239.5	176.6	480.3	687.4	161.9	121.5	119.6
Mar.	244.6	246.8	179.8	469.5	748.2	163.9	123.1	119.7
Apr.	243.6	244.4	180.7	465.2	840.3	163.9	125.6	119.9
May	245.6	242.9	181.6	466.1	893.1	164.9	127.9	120.3
June	245.7	249.4	184.5	473.4		164.5	131.8	120.5
July	246.5	257.2	186.1	476.9		165.4	133.1	120.7
Aug.	248.0	256.6	188.2	495.9		166.7	135.9	120.9
Sept.	249.7	257.9	187.2	506.5		166.1	138.5	120.5

Table 4. WHOLESALE COMMODITY PRICE INDICES IN HSINKING

Average of	Commodities for domestic consumption (17 Art.)	Export goods (12 Art.)	Import goods (33 Art.)	Raw materials (13 Art.)	Consumers' goods (38 Art.)	Equipment goods (12 Art.)	Farmers' purchases (19 Art.)	Farmers' sales (8 Art.)
1933	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1934	93.0	95.5	90.6	92.9	95.9	93.6	91.5	97.1
1935	103.2	136.7	90.7	94.5	109.3	94.1	99.5	153.1
1936	104.3	147.3	90.7	100.8	112.3	92.4	103.2	157.0
1937	117.0	165.4	113.3	121.4	122.0	139.2	112.0	178.8
1938	137.4	167.2	144.0	147.6	141.8	174.6	141.4	185.2
1939	175.0	218.9	169.9	168.0	191.8	163.7	171.1	253.2
1940	227.7	286.0	201.9	204.7	249.8	172.6	197.1	326.3
Sept. 1940 .	234.1	296.2	203.3	209.8	256.8	138.3	201.2	339.2
Sept. 1941 .	274.9	289.3	221.1	233.1	274.5	189.0	241.6	300.1

(Continued)

Average of	Chief staple products (6 Art.)	Miscellaneous cereals (5 Art.)	Foods and beverages (12 Art.)	Textiles (13 Art.)	Metals and metal wares (7 Art.)	Building materials (6 Art.)	Light and fuel (6 Art.)	Miscellaneous (8 Art.)	Average of all commodities (63 Art.)
1933 ...	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1934 ...	94.5	92.8	94.0	90.4	92.4	89.8	94.0	93.4	92.6
1935 ...	179.2	104.5	104.1	88.3	93.3	93.9	91.5	93.6	103.4
1936 ...	185.7	115.8	106.5	91.8	92.8	91.2	94.7	96.0	106.1
1937 ...	202.4	134.4	112.5	106.5	161.7	106.6	98.6	112.5	125.1
1938 ...	202.9	141.6	124.9	151.6	211.6	128.6	106.9	149.5	149.6
1939 ...	271.4	195.8	155.4	191.9	155.7	166.6	129.8	198.8	181.3
1940 ...	294.8	298.8	204.2	218.7	162.8	183.9	177.6	295.0	225.7
Sept. 1940	286.3	325.9	214.8	220.4	168.8	185.5	180.1	300.7	231.3
Sept. 1941	337.6	235.3	248.1	249.8	174.0	200.8	227.8	314.3	249.7

Table 5. WHOLESALE PRICES OF PRINCIPAL STAPLE COMMODITIES IN HSINKING (Unit: M¥)

	Rice (koku)	Wheat (1 lb.)	Millet (100 kin)	Wheat flour "3 star" (bag)	Soya Bean "1st" (100 kin)	Bean cake (piece)	Bean Oil (100 kin)	Kaoliang (100 kin)	Gunny bag (100)
1934	20.74	1.35	3.07	2.79	2.78	0.90	10.50	1.59	43.44
1935	26.57	1.42	6.58	3.30	4.27	1.32	18.02	3.84	44.66
1936	25.56	1.47	7.18	3.40	5.45	1.72	22.72	3.17	42.95
1937	26.17	2.07	7.01	4.44	5.93	1.89	22.79	3.71	45.39
1938	32.00	2.68	6.99	5.61	5.65	1.85	17.59	4.17	55.93
1939	41.02	2.57	9.29	6.88	7.08	2.78	18.39	5.01	100.33
Sept. 1940 .	51.07	3.21	10.18	8.09	7.69	2.45	24.00	5.88	150.00
Sept. 1941 .	52.70	4.21	11.38	9.38	7.01	3.52	33.00	6.70	150.00

(Continued)

	Sugar (135 kin)	Cotton Yarn "20 count" (bale)	Cement "Onoda" (bag)	Brick (1,000)	Iron bar (100 kg.)	Lumber "Red pine" (1 cubic ft.)	Glass "Shoko" (case)	Gasoline "yellow" (2 cans)	Coal "Funshun" (ton)
1934 ...	18.07	231.11	1.52	16.17	12.13	1.11	8.74	9.12	10.42
1935 ...	19.03	238.11	1.56	15.83	11.82	1.09	8.84	8 76	10.98
1936 ...	19.69	248,77	1.45	12.45	11.82	1.29	8.94	8.91	11.65
1937 ...	21.56	292.83	1.44	13.66	22.26	1.72	10.45	9.08	11.65
1938 ...	30.94	463.86	1.53	16.13	20.46	2.63	10.44	9.35	12.38
1939 ...	41.06	451.38	1.66	22.99	20.20	3,24	13.15	9.84	13.38
Sept. 1940	43.65	400.00	1.80	24.00	24.75	3.02	15.60	9.85	18.75
Sept. 1941	51.71	492.00	1.94	24.00	24.95	3.02	15.60	12.38	18.75

Provisional Capital Control Law

The Provisional Capital Control Law was enforced by the Manchoukuo Government on October 1, 1938, in line with its policy to control the raising of funds in Manchuria, which are urgently needed for the execution of the Five-Year Industrial Plan. Various enterprises in Manchoukuo have been making much progress of late parallel with the progress of the Five-Year Plan, and the demand for capital has, as a result, become increasingly large. If the situation were left to take its own course, it is feared that the capital may be used in not urgently necessary industries. It is to effectively utilize domestic capital for the smooth execution of the five-year plan as well as for other enterprises which are indispensable to the economic life of the people that the Provisional Capital Control Law was enacted. This law also aims at regulating any unreasonable soaring of general commodity prices.

Formerly, all companies, with the exception of special corporations, were not required to apply to the Department of Finance and Commerce to obtain permission on such matter as the establishment of new concerns, increase of capital, mergers, calling up of unpaid shares, and debenture flotation. Under the above law, however, all companies, regardless of the amount of their capital, are subject to the same requirements.

Corporate Investments

The aggregate authorized and paid-up capital of the thirty-eight special and the semi-special companies in Manchoukuo as at the end of March, 1941 totalled 3,050 million yuan and 2,586 million yuan respectively. With regard to paid-up capital, the Government invested 737,000,000, or 28.5 per cent of the total capital, the South Manchuria Railway Company 99,000,000 yuan, or 3.8 per cent, the Manchuria Industrial Development Company 913,000,000 yuan or 35.3 per cent, and others 836,000,000 yuan.

Of the total amount invested, domestic investments total 204,000,000 yuan, or 7.9 per cent, Japan's investment 600,000,000 yuan, or 23.4 per cent, and Kwantung Territory 30,000,000 yuan, or 1.1 per cent. The latter's investment is made up of 29,000,000 yuan of Japanese and Manchou capital, 1,500,000 yuan of Chinese capital and 50,000 yuan of American capital.

Table 6. MOVEMENTS OF PAID-UP CAPITAL

(Unit: Amount in One Million M¥)

	Newly Established		Newly Increased		Newly Paid-up	
	Firms	Amount	Firms	Amount	Firms	Amount
1935	358	72.0	43	5.9	33	56.2
1936	587	186.3	49	15.9	40	51.6
1937	686	374.5	96	202.7	65	64.1
1938	1,015	186.6	171	113.5	137	226.4
1939	842	180.1	440	247.0	229	468.6
1940 (Jan.-Sept.)	312	80.6	195	129.8	96	221.2

	Decreased		Dissolved		Outstanding	
	Firms	Amount	Firms	Amount	Firms	Amount
1935	13	3.6	93	6.3	2,380	1,294.3
1936	19	19.7	131	24.0	2,836	1,505.6
1937	11	2.7	140	20.0	3,382	2,182.3
1938	5	0.3	174	29.7	4,223	2,678.9
1939	2	0.0	179	23.2	4,886	3,551.3
1940 (Jan.-Sept.)	3	0.4	185	7.5	5,008	3,974.9

Table 7. COMPANIES CLASSIFIED BY INDUSTRIES

(Amount in 1,000)

(As in September, 1940)

	Joint Stock Cos.			Unlimited Partnership	
		Capital			
Industries:	No. of Cos.	Authorized	Paid-up	No. of Cos.	Capital
Financing	129	631,780	550,871	15	684
Insurance	3	8,100	2,775	—	—
Warehousing	16	5,805	2,375	2	115
Market & Exchange	22	24,247	9,508	—	—
Commercial & Foreign Trade	476	448,213	262,045	942	56,589
Traffic & Express	79	1,039,494	913,387	31	2,616
Colonization & Real Estate	94	194,797	113,949	35	15,236
Civil Engineering & Architecture	74	84,598	56,857	49	4,956
Agriculture	27	74,690	25,097	9	686
Forestry	36	53,453	33,444	7	678
Liverstock	17	7,558	3,924	4	36
Fishery	9	21,100	15,675	1	30
Mining	65	860,280	742,609	18	1,084
Metallic	61	455,052	415,514	11	827
Machine & Tools	118	564,173	272,635	27	1,957
Electric & Gas	27	236,050	211,507	3	147
Chemical	130	1,072,785	795,640	34	1,280
Ceramic	58	80,586	62,004	14	649
Textile	47	140,457	88,498	15	893
Foodstuff	91	112 905	70,073	74	7,000
Mis. Industries	121	155,701	121,157	64	2,982
Others	77	40,319	30,987	49	1,477
Total	1,777	6,312,145	4,800,534	1,402	99,924
of which:					
Manchoukuoan	1,425	5,136,935	3,850,050	1,276	85,938
Japanese	352	1,175,210	950,483	126	13,986

	Limited Partnership		All Companies			
Industries:	No. of Cos.	Capital	No. of Cos.	Capital	% No.	% Capital
Financing	40	1,012	184	633,477	3.35	9.66
Insurance	—	—	3	8,100	0.05	0.13
Warehousing	8	450	26	6,370	0.47	0.09
Market & Exchange	2	30	24	24,277	0.44	0.37
Commercial & Foreign Trade	1,118	47,641	2,536	552,440	46.30	8.43
Traffic & Express ..	72	3,884	182	1,045,995	3.32	15.96
Colonization & Real Estate	74	4,987	203	215,021	3.71	3.28
Civil Engineering & Architecture	211	20,357	334	109,912	6.10	1.68
Agriculture	26	1,678	62	77,055	1.13	1.18

Industries:	Limited Partnership No. of Cos.	Limited Partnership Capital	All Companies No. of Cos.	All Companies Capital	% No.	% Capital
Forestry	23	2,684	66	56,815	1.13	0.87
Livestock	11	646	32	8,240	0.58	0.13
Fishery	7	426	17	21,556	0.31	0.33
Mining	54	4,441	137	865,805	2.50	13.21
Metallic	26	2,603	98	458,482	1.72	6.99
Machine & Tools ...	64	20,921	209	587,051	3.82	8.96
Electric & Gas	6	527	36	236,720	0.66	3.61
Chemical	64	9,368	228	1,083,434	4.16	16.53
Ceramic	62	2,661	134	83,897	2.50	1.28
Textile	13	511	75	141,861	1.36	2.16
Foodstuff	123	3,806	288	123,712	5.26	1.89
Mis. Ind.	159	8,539	344	167,222	6.28	2.55
Others	135	4,440	259	46,238	4.64	0.71
Total	2,298	141,624	5,477	6,553,694	100.00	100.00
of which:						
Manchoukuoan ..	1,607	116,172	4,308	5,339,046	78.66	81.47
Japanes	691	25,451	1,169	1,214,648	21.34	18.53

Trade Marks

In September, 1933 the Trade Mark Law and Detailed Regulations for the Enforcement of the Law were promulgated by the Manchoukuo Government. From their enforcement on November 20 of the same year to the end of December, 1936 the Government received a total of 24,054 applications for trade mark registration.

The number of applications from nationals of countries which have not yet recognized the new State, is steadily increasing.

Table 8. NO. OF PATENT RIGHT, UTILITY MODEL AND TRADE MARKS REGISTERED

		Patent Right		Utility Model		Trade Mark	
		Applied	Granted	Applied	Granted	Applied	Granted
Manchoukuoan ...	1936 ...	6	1	8	—	299	166
	1937 ...	23	—	6	—	289	211
	1938 ...	47	—	20	—	492	232
	1939 ...	65	7	19	4	459	442
Japanese ..	1936 ...	4,284	527	753	120	1,926	2,607
	1937 ...	7,659	4,219	1,505	556	1,737	1,752
	1938 ...	2,289	3,283	400	740	2,025	1,333
	1939 ...	3,009	2,397	464	298	2,360	2,130
British	1936 ...	23	—	2	—	63	437
	1937 ...	94	13	—	—	69	154
	1938 ...	8	45	1	—	64	25
	1939 ...	15	22	—	—	16	32
U.S.A.	1936 ...	98	5	13	—	110	307
	1937 ...	249	61	6	—	113	180
	1938 ...	53	114	1	8	66	68
	1939 ...	64	66	1	5	48	122
German ...	1936 ...	1,210	259	5	—	176	492
	1937 ...	766	513	34	3	147	205
	1938 ...	374	230	35	11	151	94
	1939 ...	331	435	10	14	104	121
French	1936 ...	30	—	—	—	17	176
	1937 ...	41	15	—	—	13	29
	1938 ...	13	19	—	—	16	4
	1939 ...	12	11	—	—	5	15
Italian	1936 ...	12	—	—	—	6	12
	1937 ...	33	7	—	—	1	7
	1938 ...	5	25	—	—	—	—
	1939 ...	10	2	—	—	4	5
Swiss	1936 ...	20	5	—	—	—	—
	1937 ...	22	16	—	—	—	—
	1938 ...	18	8	—	—	10	9
	1939 ...	2	8	—	—	5	13
Total incl. Others ..	1936 ...	5,735	800	783	120	2,655	4,330
	1937 ...	8,965	4,880	1,551	559	2,426	2,591
	1938 ...	2,827	3,740	457	759	2,847	1,800
	1939 ...	3,536	2,966	494	321	3,277	2,910

(Continued)

Note: The number granted is inclusive of those applied for, during previous years.

Weights and Measures

Various standards of weights and measures have been in use in Manchoukuo, to the great inconvenience of dealers and customers alike. Generally speaking they may be classified into the Chinese, Japanese and Russian systems, the international metric, and the British "foot-pound" systems. Each has its own particular field of use, the Chinese system being employed among the Manchurians and Chinese, the Japanese among the Japanese, the

Russian among the Russian population, and the metric and the foot-pound standards among those having transactions with the South Manchuria Railway Co. In order to reform this confused state of affairs, the Government, on January 25, 1934 promulgated the Weights and Measures Law, stipulating that for general transactions and for purposes of certification, the international metric system or the new "chih-chin" system should be used. In September, 1935, a measurement law was enacted to unify all weights and measures which were excluded from the Weights and Measures Law of 1934.

Under the present system all implements for weights and measures must be duly inspected and authenticated by the authorized public weighters and measurers located in town and country before such implements can be used for business transactions.

CHARACTERISTICS OF THE SPECIAL COMPANIES IN MANCHOUKUO

The basic policy for the economic development of Manchoukuo aims, along the lines of the General Principles for the Economic Construction of Manchoukuo, at the elimination of the shortcomings of the capitalistic economic system through the enforcement of necessary state control. For this purpose, key industries which either have important bearings upon the national defence or are of the nature of public utilities are, as a general rule, to be placed under public management or made enterprises of special companies: Other industries and general economic activities concerning natural resources are to be free private undertakings although appropriate measures will be taken to regulate the relations between demand and supply. Legislation for the execution of the above-stated policy was made in May, 1937, in the form of the enactment of a Key Industry Control Law. Under this law, practically all the key industries are managed by the state, special companies or quasi-special companies.

The function of special companies is governed by special company laws whereby the Government is empowered to control such organizations, in regard to the appointment or dismissal of officers or directors, important amendments to the articles of association and resolutions relative to the disposal of profits, merger or dissolution. Further, special companies are required to determine their enterprise schemes for every year and submit them to the Government which is also empowered to issue necessary orders to the companies from the standpoint of control or public good. Quasi-special companies managing enterprises which come within the purview of the Key Industry Control Law are also subject to the control by the Government as in the case of special companies.

The major characteristic of the special companies in Manchoukuo is to be found in the fact that they have been established on the basis of a principle of "one enterprise, one company" which naturally brings about monopolistic management of enterprises. As the economic development progressed, the necessity of establishing organic relations among the various companies came to be felt more keenly, and with the organization of the Manchuria Industrial Development Co. serving as a turning-point, a principle of synthetic management of enterprises was adopted with a view to furthering the economic construction of the country.

While special companies form the objective of their respective organic laws, the companies managing enterprises within the sphere of the same industries are controlled by the Key Industry Control Law itself. Consequently, there exists a great difference between the special companies and other companies in regard to governmental control. In the case of the former, governmental control extends to the internal relations of enterprises, namely, organization and finance, but in the case of the latter, it is confined to the external relations of enterprises. Moreover, special companies are generally partially financed by the Government. It may be noted here, however, that although the right of voting is in proportion to the number of stocks held, the relations between the Government and special companies are based on strong administrative powers, irrespective of the extent of the financing by the Government. Quasi-special companies, i.e. companies which are dealt with in a similar way to the special companies, also stand on the principle of "one enterprise, one company" but they have no special laws of their own. Some of the quasi-special companies involve governmental funds while others do not.

Another point which may be pointed out here with reference to the relations between special companies and the Key Industry Control Law concerns their objectives. In a statement, the Government has clarified that in regard to enterprises, the Key Industry Control Law has for its objectives only two departments, namely, the manufacturing industry and mining industry, while special companies include in their scope all branches of the industry and even the department of distribution enterprises. In other words, all enterprises, no matter whether they concern the industry itself or the distribution of products, come under the control of the Government, either as an objective of the Key Industry Control Law or as the objective of special companies, when they are closely related to the national defence or have important relations with public interests.

Special Companies and Five-year Industrial Program. The five-year industrial program formed the concrete index of the second-stage economic construction of Manchoukuo and at the same time showed the course for special companies to follow. All special companies are not directly connected with the five-year industrial program inasmuch as some of them have for their aim the development of key industries which are of special importance from the standpoint of national defence while others are charged with the task of establishing basic industries which have important bearings upon the national economy and still others are closely related to both the national defence and national economy. When the national defence is considered in a broad sense, however, it may be said that all special companies are, directly or indirectly, connected with the five-year industrial program. Particularly, the special companies which take charge of the mining and manufacturing departments of industry are required to function in a positive manner. The activities of the companies related to the two departments are shown in the following table:

1. Enterprises for exploitation of mineral resources:
   a. General—Manchuria Mining Promotion Company;
   b. Iron —Showa Steel Works, Penhsihu Coal and Iron Company and Tungpientao Development Company;
   c. Coal —Manchuria Coal Mining Company, Penhsihu Coal and Iron Company; Tungpientao Development Company and Fushun Colliery (managed by the South Manchuria Railway Company);
   d. Gold —Manchuria Coal Mining Company and Manchuria Mines Company;
   e. Non-ferrous metal—Manchuria Mines Company;
   f. Light metal—Manchuria Light Metal Manufacturing Company;

   g. Petroleum—Manchuria Petroleum Company.
2. Manufacturing enterprises:
   a. Electricity —Manchuria Electricity Industrial Company, Yalu Hydroelectric Company of Manchuria and Hydroelectric Construction Bureau (under state management);
   b. Liquid fuel—Manchuria Synthetic Fuel Company, Manchuria Liquefaction Industrial Company, Fushun Oil Factory (managed by S.M.R.) and Fushun Fuel Factory (also managed by S.M.R.);
   c. Automobile—Dowa (or Tunghe) Automobile Company;
   d. Aeroplane —Manchuria Aeroplane Company;
   e. Arms and ammunition—Fengtien (Mukden) Arsenal;
   f. Electro-chemistry—Manchuria Electro-chemical Industrial Company;
   g. Soda industry—Manchuria Soda Company.

The outbreak of the China Incident gave rise to a necessity for effecting a sweeping revision of the program in May, 1938, on the basis of the principle of Japan and Manchoukuo working as a single unit and also from the standpoint of establishing a Japan-Manchoukuo-China bloc. The production as provided for in the original program was increased by from two to three times through the revision and particularly worthy of note is the fact that the enthusiasm of the financial circles, both in Manchoukuo and Japan, for the execution of the program increased greatly after the revision. The major points of the revision concerning the mining and manufacturing departments of industry will be given below for reference:

1. Production goal:
   a. Pig iron .... 4,650,000 metric tons
   b. Steel ingots .... 4,000,000 " "
   c. Steel billets .... 2,200,000 " "
   d. Steel materials .... 1,850,000 " "
   e. Ore-mining .... 12,000,000 " "
   (The above is to be in charge of the Showa Steel Works, the Penhsihu Coal and Iron Company and the Tungpientao Development Company).
   f. Coal .... 32,000,000 metric tons
   (To be in charge of the South Manchuria Railway Company, the Manchuria Coal Mining Company and the Penhsihu Coal and Iron Company).
   g. Liquid fuel .... 1,700,000 metric tons
   (To be in charge of the Fushun Fuel Factory of S.M.R., the Manchuria Synthetic Fuel Company and the Manchuria Liquefaction Industrial Company).

h. Oil-shale .... 700,000 metric tons
(To be in charge of the Fushun Oilshale Factory of the S.M.R., etc.)
i. Gold .... ¥300,000,000 (including alluvial gold)
j. Electric power .... 2,500,000 kilowatts
(To be in charge of the Fuhsin, Fushun, Dairen, Anshan, Penhsihu and other leading heat-engine plants and the Yalu and Sungari water power stations).

The cost of revising the five-year industrial program was first fixed at ¥3,800,000,000 but later increased to upwards of ¥5,000,000,000.

Table 9. SPECIAL & SEMI-SPECIAL COMPANIES IN MANCHOUKUO

As in 1941

(Amount in ¥1,000)

* Special Companys † Semi-Special Companies

FINANCING

***Central Bank of Manchou** (Manshu Chuo Ginko)—Daido Taigai, Hsinking. Est. June, 1932. Cap. 30,000 (15,000 p.u.) Profit: 40,258, Div. 6%. Investor: Man'kuo Gov't. Govr. Kan Chao-Hsi, Vice-Govr. Kikutaro Osawa. Banking business based on Central Banking Law.

***Industrial Bank of Manchou** (Manshu Chuo Ginko)—Daido Taigai, Hsinking. Est. Dec. 1936. Cap. 30,000 (p.u.) Profit: 5,000, Div. 6%. Investor: Man'kuo Gov't, Bank of Chosen. Pres. S. Okada. Banking business based on Industrial Bank of Manchou Law.

***Manchuria Investment Security Co.** (Manshu Toshi Shoken K.K.)—Totaku Bldg., Hsinking. Est. June, 1941. Cap. 400,000 (60,000 p.u.) (under construction) Profit.—Div.—. Investor: Japanese Life Insurance companies and Nissan. Pres. Mikitaro Miho. Intermediator of Japanese Life Insurance Cos.'s Investment in Manchoukuo. Purchase and Sales of Securities.

INSURANCE

***Manchuria Life Insurance Co.** (Manshu Seimei Hoken K.K.)—Kotoku Kaikan, Hsinking. Est. Oct. 1936. Cap. 3,000 (p.u.) Profit: 204, Div. none. Investor: 30 Japanese Life Insurance Cos. and Man'kuo Gov't. Pres. Y. Takahashi. Life Assurance business.

†Manchuria Fire & Marine Insurance Co. (Manshu Kasai Kaijo Hoken K.K.)—Kaijo Bldg., Hsinking. Est. Dec. 1937. Cap. 5,000 (1,250 p.u.) Profit: -35. Div. none. Investor: Ind. Bk. of Manchou, Taiko Konssu, Kokusai Unyu & 34 Japanes Fire Insurance Cos. Pres. K. Nishiwaki. Various Property Insurance Business.

TRANSPORT

South Manchuria Railway Co. (Minami Manshu Tetsudo K.K.)—Dairen City. Est. Nov. 1906. Cap. 1,400,000 (856,208 p.u.) Profit: 77,848 Div. 8% to public, 4.43% to Gov't. Investor: Japanese & Man'kuo Gov'ts & public. Pres. Takuichi Omura. Railway, Automobile, Harbour, Warehousing, Colliery, etc.

†Ta An Steamship Co. (Taian Kisen K.K.)—Antung City. Est. March 1934. Cap. 350 (p.u.) Profit: 11 Div.—Investor: Man'kuo Gov't & Public. Pres. Y. Kurata. Steamer and General transports.

***Manchuria Aviation Co.** (Manshu Koku K.K.)—Yamato-ku, Mukden. Est. Sept. 1932. Cap. 30,000 (p.u.) Profit:—Div.—. Investor: Man'kuo Gov't, S.M.R., Mitsui Gomei, Mitsubishi Heavy Industry, Sumitomo. Pres. M. Makino. Passenger and Cargo Transport by Airways.

FUEL

***Manchuria Colliery Co.** (Manshu Tanko K.K.)—Kojin Tairo, Hsinking. Est. May 1934. Cap. 300,000 (p.u.) Profit: -7,144 Div. none. Investor: Manchuria Industrial Development Corp. Central Bank of Manchou. Pres. S. Matsumura. Mining and Sales of Coal, Investment to Coal Industry.

***Manchuria Synthetic Fuel Co.** (Manshu Gosei Nenryo K.K.)—Kotoku Kaikan, Hsinking. Est. Sept. 1936. Cap. 50,000 (p.u.) (under construction) Investor: Man'kuo Gov't, Mitsui & Co., Teikoku Nenryo, Manshu Tanko, Manshu Sekiyu. Pres. M. Takashima. Manufacturers & Sellers of Liquid Fuel.

†Coal Liquefaction Research Institute (Sekitan Ekika Kenkyusho)—Boeki Kaikan, Mukden. Est. June 1939. Cap. 6,000 (4,200 p.u.) (under construction) Investor: Man'kuo Gov't, Kobe Steel Works. Pres. M. Tsuji. Research of German Coal Liquefaction.

***Manchuria Petroleum Co.** (Manshu Sekiyu K.K.)—Chuo Dori, Hsinking. Est. Feb. 1933. Cap. 40,000 (25,000 p.u.) Profit: 2,688, Div. 7%. Investor: Man'kuo Gov't. Ind. Bk. of Manchou, S.M.R. Japan Oil, Mitsui Bussan, Mitsubishi Mining, etc. Pres. K. Hashimoto. Petroleum Mining, Refiners, Sellers, Buyers of Petroleum.

***Kirin Artificial Petroleum Co.** (Kirin Jinzo Sekiyu K.K.)—Kirin City. Est. Sept. 1939. Cap. 100,000 (p.u.) (under construction) Investmtor: Man'kuo Gov't, Japan Nitrogen, Teikoku Nenryo. Pres. J. Noguchi. Manufacturers and Sellers of Liquid Fuel, Investors for the Industry.

ELECTRIC

***Manchuria Electric Co.** (Manshu Dengyo K.K.) Kotoku Kaikan, Hsinking. Est. Nov. 1934. Cap. 320,000 (192,000 p.u.) Profit: 6,627 Div. 7%. Investor: Man'kuo Gov't, Ind. Bk. of Manchou, S.M.R., Central Bk. of Manchou, Hsinking City, Bank of Chosen, Oriental Development, Yingkow Water, Dai-ichi Conscription Insurance, Meiji Life Insurance. Pres. Han Yun Chieh. Vice-Pres. M. Yamasaki. Suppliers of Electric Power, and Electric Fixture, Repairers, Investors.

***Manchuria Yalu Hydro Electric Generation Co.** (Manshu Ohryokko Suiryoku Hatsuden K.K.)—Kaijo Bldg., Hsinking. Est. Sept. 1937. Cap. 50,000 (p.u.) (under construction) Investor: Man'kuo Gov't, Chosen Hydro Electric Co. Oriental Development, Chosen Elec. Generation Co. Pres. J. Noguchi. Electric Power Generation by Yalu and Tumen stations.

MINING

***Manchuria Industrial Development Corp.** (Manshu Jukogyo Kaihatsu K.K.) —Totaku Bldg., Hsinking. Est. Sept. 1926. Cap. 450,000 (p.u.). Profit 24,281. Div. 5% Gov't. 10% public. Investor: Man'kuo Gov., Kyoritsu Kigyo, Daiichi Conscription Ins., Fukoku Cons. Ins., Tamura Gomei, Nomura Life Ins. Pres. Yoshisuke Aikawa. Investors to Iron, Light Metal, Automobile, Airplane, Petroleum Industries.

***Showa Steel Works, Ltd.** (Showa Seiko-sho, K.K.)—Anshan City. Est. July 1929. Cap. 200,000 (175,000 p.u.) Profit: 9,437 Div. 6%. Investor: Mangyo, S.M.R. Pres. Shozo Kubota. Manufacturers of Pig Iron and Steel. Iron Ore Mining.

†Penhsihu Colliery & Iron Works (Honkeiko Baitetsu Konssu) Penhsifu City, Mukden. Est. May 1910. Cap. 100,000 (p.u.) Profit: 1,222 Div. 8%. Investor: Mangyo, Okura & Co., Man'kuo Gov't. Pres. K. Shimaoka. Sellers & Miners of Coal, Manufacturers of Iron & Steel.

†Tungpientao Development Co. (Tohendo Kaihatsu K.K.)—Totaku Bldg., Hsinking. Est. May, 1936. Cap. 140,000 (126,350 p.u.) (under construction) Investor· Mangyo, & Mantan. Pres. R. Shimada. Miners, Manufacturers, Sellers and Investors for Iron & Coal in Tunghua Province.

***Manchuria Mining Development Co.** (Manshu Kogyo Kaihatsu K.K.)—Daido Taigai, Hsinking. Est. Aug. 1935. Cap. 50,000 (40,000 p.u.). Profit: –2,084. Div. none. Investor: Man'kuo Gov't, S.M.R. Pres. T. Takeuchi. Prospecting, Refinery of Minerals, & Investors.

***Manchuria Gold Mining Co.** (Manshu Saikin K.K.)—Kaijo Bldg., Hsinking. Est. May, 1934. Cap. 60,000 (p.u.) Profit:—Div.—Investor: Man'kuo Gov't, Central Bk. of M. Pres. Tomekichi Ishikawa. Miners, Refiners, Sellers & Buyers of Gold and alluvial gold.

***Manchuria Light Metal Mfg. Co.** (Manshu Keikinzoku Seizo K.K.)—Fushun City. Est. Nov. 1936. Cap. 80,000 (65,000 p.u.) Profit: 5,899 Div. none. Investor: Mangyo, Sumitomo, Nihon Denko, Nihon Soda, Nichi-man Aluminium. Pres. S. Sera. Manufacturers and Sellers of Aluminium.

†Manchuria Magnesium Ind. Co. (Manshu Magnesium Kogyo K.K.)—Daido Taigai, Hsinking. Est. July, 1938 Cap. 10,000 (p.u.) Div. none. (under construction) Investor: Mangyo. Pres. Shuzo Kuroda. Producers of Metallic Magnesium.

†Manchuria Mining Co. (Manshu Kozan K.K.)—Daido Taigai, Hsinking. Est. Feb. 1938. Cap. 100,000 (p.u) Profit: –3,699 Div. none. Investor: Mangyo. Pres. Y. Kato. Mining Development.

†Toa Mining Co. (Toa Kozan K.K.)—Kaijo Bldg., Hsinking. Est. July 1937. Cap. 5,000 (2,000 p.u.) (under construction) Profit:—Div. none. Investor: Man'kuo Gov't, Mitsui Mining. Pres. T. Okitsu. Miners, Refiners, Buyers & Sellers of Minerals.

†Kyowa Iron Mining Co. (Kyowa Tetsuzan K.K.)—Iwai-cho, Hsinking. Est. Aug. 1939. Cap. 10,000 (p.u.) (under construction) Investor: Mangyo, Man'kuo Gov't, A. Ueshima. Pres. A. Ueshima. Miners, Sellers of Iron Ore.

†Manchuria Vanadium Mining Co. (Manshu Tokushu Tekko K.K.)—Daido Taigai, Hsinking. Est. Oct. 1940. Cap. 30,000 (7,500 p.u.) (under construction) Investor: Mangyo, Manshu Kozan, Nihon Yuhi. Pres. Bunji Inada. Miners and Sellers of Titanium, Vanadium, Cement, etc.

ENGINEERING

***Dowa Automobile Industry Co.** (Dowa Jidosha K.K.) Mukden, Est. March 1934. Cap. 30,000 (6,200 p.u.) Profit:—Div.—. Investor: Mangyo, Mitsubishi Heavy Ind., Kawasaki Sharyo, Nihon Sharyo, Nihon Jidosha. Pres. Den Takehara. Assembler, Repairers and Sellers of Automobiles. Manufacturers of Automobile Parts.

***Manchuria Automobile Mfg. Co.** (Manshu Jidosha Seizo K.K.)—Yamato-dori, Hsinking. Est. May 1939. Cap. 100,000 (25,000 p.u.) (under construction) Investor: Mangyo. Pres. Soji Yamamoto. Manufacturers of Automobile, and Investors.

***Manchuria Aircraft Mfg. Co.** (Manshu Hikoki Seizo K.K.)—Taito-ku, Mukden. Est. June 1938. Cap. 20,000 (p.u.) Profit:—Div.—. Investor: Mangyo. Pres. Tatsunosuke Takasaki. Manufacturers, Repairers and Sellers of Airplanes.

***Mukden Arsenal, Ltd.** (Hoten Zohei Sho)—Taito-ku, Mukden. Est. Oct. 1932. Cap. 25,000 (14,800 p.u.) Profit:—Div.—. Investor: Man'kuo Gov't, Mitsui, Okura. Pres. T. Mimura. Manufacturers, Repairers and Sellers of Arms & Ammunitions.

***Manchuria Weight & Measure Co.** (Manshu Keiki K.K.)—Horaku-ro, Hsinking. Est. Oct. 1936. Cap. 8,000 (6,000 p.u.) Profit: 394 Div. 6%. Investor Man'kuo Gov't, Nihon Doryoko Kyokai, Mukden Arsenal, Chosen Keiki. Pres. Umetaro Matsubara. Manufacturers, Buyers & Sellers of Weight & Measure.

†Manchuria Heavy Machinery Co. (Manshu Juki K.K.)—Daido Taigai, Hsinking. Est. May 1940. (Under construction) Cap. 50,000 (p.u.) Investor: Mangyo. Pres. M. Yano. Manufacturers and Dealers in Hydraulic Press, and other Machineries.

CHEMICAL

***Manchuria Electro-chemical Ind. Co.** (Manshu Denki Kagaku Kogyo K.K.) —Kotoku Kaikan, Hsinking, Est. Oct. 1938 Cap. 30,000 (15,000 p.u.) (under construction) Div. none. Investor: Man'kuo Gov't, Dengyo, Nihon Denka, Dainippon Celluloid, Nihon Kasei. Pres. Katsuji Hibi. Manufacturers and Dealers in Carbide.

†**Manchuria Bean Stalk Pulp Co.** (Manshu Tokan Pulp K.K.)—Kaiyuang, Ssuping Prov. Est. Sept. 1937, Cap. 10,000 (5,000 p.u.) (under construction) Div. none. Investor: Man'kuo Gov't, S.M.R., Ind. Bank of Manchou, Sweden; I. Sakai. Pres. I. Sakai. Manufacturers of Pulp from Bean Stalk.

†**Manchuria Soda Co.** (Manshu Soda K.K.)—Kotoku Kaikan, Hsinking. Est. May 1936. Cap. 16,000 (14,000 p.u.) Profit: 420 Div. 5%. Investor: Asahi Glass, S.M.R., Manshu Kagaku, Shoko Glass. Pres. J. Takebe. Manufacturing, Processing and Sales of Soda.

***Manchuria Sulphate Ammonia Industry Co.** (Manshu Ryuan Kogyo K.K.) —Yashima-dori, Hsinking. Est. Dec. 1938. Cap. 50,000 (12,500 p.u.) (under construction) Div. none. Investor: Man'kuo Gov't. Pres. M. Minami. Manufacturers of Sulphate of Ammonia and other Chemical Fertilizers.

Manchuria Chemical Ind. Co. (Manshu Kagaku Kogyo K.K.)—Dairen City. Est. Feb. 1938. Cap. 25,000 (p.u.) Profit: 404 Div. 7%. Investor: S.M.R., & public. Pres. K. Kaise. Manufacturers, Importers & Exporters of Chemical Fertilizers.

***Manchuria Explosive Industry Co.** (Manshu Kayaku Kogyo K.K.)—Asahi-ku, Mukden. Est. Feb. 1941. Cap. 8,500 (p.u.) (under construction) Div. none. Investor: Man'kuo Gov't, Mukden Arsenal, Manshu Gun Power Sales. Pres. T. Mimura. Manufacturers & Dealers in Gun Power.

†**Manchuria Soya-bean Chemical Industry Co.** (Manshu Daizu Kagaku Kogyo K.K.)——Kojin Tairo, Hsinking. Est. July 1940. Cap. 30,000 (7,500 p.u.) Div. none (under construction) Investor: Tokusan Senkan, Nihon Yuhi, Shinko Rayon, Toyo Spinning, Kureha Spng. and 10 others. Pres. S. Mukaibo. Chemical Industrialization of Manchurian Beans.

†**Manchuria Carbon Industry Co.** (Manshu Tanso Kogyo K.K.)—Antung City. Est. May 1940. Cap. 15,000 (3,750 p.u.) (under construction) Div. none. Investor: Nihon Carbon, Showa Denkyoku, Manchu Denka, Manshu Keikinzoku. Pres. H. Ishikawa. Manufacturers and Dealers in Electrode and Carbon.

DISTRIBUTION

***Japan Manchoukuo Trading Co.** (Nichiman Shoji K.K.)—Kaijo Bldg., Hsinking. Est. Nov. 1936. Cap. 30,000 (15,000 p.u.) Profit: 728. Div. 4.5%. Investor: Mangyo, Mantan, Showa Seiko, Honkeiko Baitetsu, Man'kuo Gov't. Pres. I. Ogawa. Dealers in Fuel, Light Metals, Fertilizers, Minerals, Building Materials, Chemicals, etc.

***Manchuria Necessaries Supply Co.** (Manshu Seikatsu Hitsujuhin K.K.)—Daido Taigai, Hsinking. Est. Feb. 1939. Cap. 50,000 (30,000 p.u.) Profit: 1,169 Div. 5%. Investor: Man'kuo Gov't, Consumers' Guild, S.M.R., Consumers' Guild of S.M.R. Pres. S. Shimada. Purchasers, Wholesalers and Consignors of Daily Necessities.

†**Manchuria Federated Cement Co.** (Manshu Kyodo Cement K.K.)—Kaiji Bldg., Hsinking. Est. Oct. 1938. Cap. 1,300 (975 p.u.) Profit: 71 Div. 6%. Investor: Fushun Cement, Honkeiko Cement, Nichiman Shoji, Mitsui Bussan & 9 others. Pres. T. Takeuchi. Purchasers, Sellers & Distributors of Cement.

†**Manchuria Book Distribution Co.** (Manshu Tosho Haikyu K.K.)—Hsinking. Est. Dec. 1939. Cap. 2,000 (p.u.) (under construction) Div. none. Investor: Man'kuo Gov't, Manshu Tosho. Pres. S. Ohashi. Distributors, Importers & Exporters of Books and Text Books.

AGRICULTURE

***Manchuria Development Corp.** (Manshu Takushoku Kosha)—Kotoku Kaikan, Hsinking. Est. Aug. 1937. Cap. 65,000 (57,000 p.u.) Profit: 859. Div. none. Investor: Japan & Man'kuo Gov'ts, S.M.R., Oriental Development, Mitsui, Mitsubishi, Sumitomo. Pres. H. Ninomiya. Suppliers of Equipments and Estate to Land Settlers, Financing.

***Manchuria Agricultural Produce Co.** (Manshu Nosan Kosha)—Kojin Tairo, Hsinking. Est. July, 1941. Cap. 70,000 (54,000 p.u.) (under construction) Div. none. Investor: Man-kuo Gov't, Manshu Takushoku. Pres. S. Yuki. Distributors, Importers & Exporters of Principle Foods, Oil and Other Agricultural Products.

†**Manchuria Live-stock Co.** (Manshu Chikusan K.K.)—Kotoku Kaikan, Hsinking. Est. Sept. 1937. Cap. 20,000 (16,250 p.u.) Profit: –1,798 Div. none. Investor: Man'kuo Gov't, Mantaku, Mansen Takushoku. Pres. Y. Yamada. Dealers in Live-stock and Pastoral Products.

***Manchuria Forestry Co.** (Manshu Rigyo K.K.)—Horakuro, Hsinking. Est. Oct. 1938. Cap. 30,000 (p.u.) Profit: 1,519 Div. 6%. Investors: Man'kuo Gov't, S.M.R., Totaku, Kyoei Kigyo, Toyo Kigyo, Toyo Pulp, Toman Pulp. Pres. M. Minami. Dealers, Exporters of Lumber, Saw Mill.

†**Manchuria Afforestation Co.** (Manshu Zorin K.K.) Horakuro, Hsinking. Est. Feb. 1941. Cap. 8,000 (p.u.) Div. none (under construction) Investor: Man'kuo Gov't, S.M.R., Totaku. Pres. Ta Chao Cheng. Management of Saplings, Importers & Exporters of Saplings and Seeds for Afforestation.

***Manchuria Raw Cotton Co.** (Manshu Menka K.K.) Asahi-ku, Mukden. Est. April 1934. Cap. 10,000 (8,500 p.u.) Profit:—Div. 5%. (under construction) Investor: Man'kuo Gov't, Kohno Gassaku-sha. Pres. U. Yokose. Cotton Planters, Dealers in Processed Goods, Financing for the Industry.

†**Manchuria Wild Cocooning Co.** (Manshu Sakusan K.K.)—Iwai-cho, Hsinking. Est. Aug. 1939. Cap. 5,000 (1,250 p.u.) Profit: 4. Div. none. Investor: Man'kuo Gov't, Kohno Gassaku-sha of Mukden & Antung, Antung Spinners' Assn. Pres. H. Kimura. Purchasers, Processers and Exporters of Wild Cocoon.

†**Manchuria Leaf Tobacco Co.** (Manshu Hatabako K.K.)—Asahi-ku, Mukden. Est. Dec. 1938. Cap. 10,000 (2,500 p.u.) Profit: 766. Div. 6%. Investor: Dept. of Finance, Kohno Gassakusha, other tobacco cos. Pres. H. Hasegawa. Purchasers, Processers and Distributors of Leaf Tobacco, Financing for the Industry.

INFORMATION

***Manchuria Telegraph & Telephone Co.** (Manshu Denshin Denwa K.K.)—Daido Taigai, Hsinking. Est. Aug. 1933. Cap. 100,000 (55,625 p.u.). Profit: 6,456 Div. 6%. Investor: Japan & Man'kuo Gov'ts, S.M.R., Japan Broadcasting Assn. Bank of Chosen, public. Pres. J. Hirose. Electric Communications and Radio Broadcasting.

***Manchoukuo Motion Picture Corp.** (Manshu Eiga Kyokai K.K.)—Daido Taigai, Hsinking. Est. Aug. 1937. Cap. 5,000 (2,500 p.u.) Profit: 540 Div. 5%. Investor: Man'kuo Gov't, S.M.R. Pres. Masahiko Amakasu. Distributors, Importers & Exporters of Motion Picture Films.

***Manchuria Book Co.** (Manshu Tosho K.K.) Hsinking. Est. April 1937. Cap. 8,000 (5,000 p.u.) Profit 327 Div. 6%. Investor: Man'kuo Gov't, leading publishers in Japan. Pres. G. Magoshi. Printers and Publishers of Books.

†**Manchuria Information Office** (Manshu Jijyo An-nai Sho K.K.)—Chuo-Dori, Hsinking. Est. Dec. 1939. Cap. 500 (p.u.) Profit:—Div.—. Investor: Man'kuo Gov't. Pres. Y. Okumura. Introducers of General Information of Manchoukuo, Publishers.

MISCELLANEOUS

†**Ta Hsing Kunssu** (Tai Shin Konsu)—Daido Taigai, Hsinking. Est. July, 1933. Cap. 20,000 (13,000 p.u.) Profit: 1,888 Div. 7%. Investor: Chugin, Gov't's Savings Dept. etc. Pres. Liu Shih Chung. Pawn, Brewery, Oil Mill, Dealers in General Merchandise, Agents.

***Manchuria Home Construction Co.** (Manshu Bosan K.K.)—Daido Taigai, Hsinking. Est. Feb. 1938. Cap. 30,000 (15,000 p.u.) Profit: 1,293 Div. 5%. Investor: Man'kuo Gov't, Kogin, Totaku. Pres. Sieh Kai Shih. Architecture, Management of Dwellings, Financing for the Industry.

***Manchuria Land Development Co.** (Manshu Tochi Kaihatsu K.K.)—Hsinking. Est. June 1939. Cap. 20,000 (7,500 p.u.) Profit: –783. Div. none. Investor: Man'kuo Gov't. Pres. M. Umeno. Development and Contractor of Land Secured by Government and other Public Bodies.

***Manchuria Salt Industry Co.** (Manshu Engyo K.K.)—Kotoku Kaikan, Hsinking. Est. April 1936. Cap. 15,000 (8,750 p.u.) Profit: 306 Div. 3%. Investor: Man'kuo Gov't, Nihon Engyo, S.M.R., Asahi Glass, Tokuyama & Toyo Soda, Manshu Kagaku, Totaku, Showa Soda. Pres. K. Shiba. Manufacturers, and Dealers of Salt. Financing for the industry.

†**Manchuria Special Paper Mfg. Co.** (Manshu Tokushu Seishi K.K.)—Yashima-dori, Hsinking. Est. March 1939. Cap. 3,500 (p.u.) Profit: 408. Div. none. Investor: Man'kuo Gov't S.M.R., Public. Pres. S. Iijima. Reproduction of Papers.

Japanese Investments in Manchoukuo

According to data compiled by the Manchurian Affairs Board, Japanese investments in Manchoukuo in 1940 amounted to ¥1,010,704,000, a decrease of ¥92,909,000 over the 1939 figure which was a record high. The 1939 figure represented a 250% expansion from 1938 and is about 35% of the cumulative total since 1932 which amounts to ¥3,053,183,000. Inclusive of investments outstanding immediately before the start of the Manchurian Incident in 1931, estimated by the Economic Department of the Hsinking Government at ¥819,937,000, Japan's investments at the end of 1940 stood at ¥4,883,824,000.

There were increases throughout the list of investment items, but the outstanding instances were the funded and unfunded debts of the leading corporations located in Manchoukuo all of which showed substantial net gains. But these investment items felled to the neighborhood of ¥300,000,000 at the end of 1934 from ¥499,344,000 of the corresponding period of the previous year. Corporations figuring prominently in the capital absorption movement from Japan included leading concerns in the field of colliery, electric utility, steel making and development, showing that the empire's industrial expansion plans are now well under way An important share of the capital movement was made through the South Manchuria Railway Company and its affiliates, while a number of non-State policy concerns made calls on their outstanding capital stocks. The Hsinking Government also issued bonds to finance its investment activity and hydro electric enterprises.

The above throws light on recent changes in the channels through which the economic system of Manchoukuo absorbs capital resources. Formerly there were four main sluice-ways for such a capital movement, viz., the Central Bank of Manchou, South Manchuria Railway, Industrial Bank of Manchou and a group of semi-Government corporations. All of these four absorbed capital funds through issuance of debenture obligations, but S.M.R.'s share was by far the most important. With the opening in real earnest of the Manchuria Industrial Development Corporation, however, the capital needs of various semi-Government concerns have assumed unprecedented proportions and with it the prestige of M.I.D.C. has increased as a provider of capital.

Table 10. PRINCIPAL JAPANESE INVESTMENTS SINCE 1932

(Unit: ¥1,000)

	1932	1933	1934	1935	1936	1937	1938	1939	1940	Total
(1) S.M.R. Subscription	25,000	61,000	36,000	36,000	36,000	56,000	20,000	40,000	100,000	410,000
(2) Net increase of S.M.R. Debentures	40,000	20,200	130,000	135,000	155,000	21,000	115,000	210,000	–30,000 275,000	1,071,200
(3) S.M.R. Borrowings	—	—	—	75,000	–75,000	84,000	–74,000 15,000	–25,000 50,000	–98,000 93,000	45,000
(4) Opening of S.M.R. Holding Shares	—	—	—	340	17,205	—	1,344	15,391	3,950	38,230
(5) Net Increase of Debentures of Principal Cos.	—	1,700	30,450	38,875	31,750	27,050	127,200	499,344	308,175	1,064,544
of which:										
(a) Manchuria Chemical Industry Co.'s Debentures	—	—	—	—	—	—	10,000	—	—	10,000
(b) Ditto-Borrowings	—	—	12,000	—	–6,250	4,050	–9,800	—	—	0
(c) Manchuria Telephone & Telegraph Debentures	—	—	8,000	7,000	—	8,000	6,000	6,000	14,000	49,000
(d) Ditto-Borrowings	—	—	—	—	—	—	—	—	–8,000 8,000	0
(e) Manchuria Colliery Debentures	—	—	—	10,000	—	—	10,000	30,000	—	50,000
(f) Ditto-Borrowings	—	—	—	—	5,000	–5,000 10,000	–10,000 20,000	–30,000 40,000	—	30,000
(g) Manchuria Electric Debentures	—	—	—	10,000	15,000	—	—	40,000	60,000	125,000
(h) Ditto-Borrowings	—	—	—	—	—	—	20,000	–40,000 55,000	–60,000 50,000	25,000
(i) Showa Steel Debentures	—	—	—	10,000	18,000	—	—	70,000	—	98,000
(j) Ditto-Borrowings	—	—	—	—	—	—	—	–70,000 70,000	—	0
(k) Manchuria Development Debentures	—	—	—	—	—	—	30,000	73,000	30,000	133,000
(l) Ditto-Borrowings	—	—	—	—	—	—	—	—	–30,000 40,000	10,000
(m) Manchuria Ind. Development Debentures	—	—	—	—	—	—	—	130,000	130,000	260,000
(n) Ditto-Borrowings	—	—	—	—	—	10,000	38,500	–102,000 122,000	–110,000 82,000	40,500
(o) Ditto-Public Subscription	—	—	—	—	—	—	—	27,135	28,742	55,877
(p) S. Manchuria Elec. Debentures	—	—	10,000	—	—	—	—	—	—	10,000
(q) Penhsihu Colliery & Iron, Debentures	—	—	—	—	—	—	—	25,000	—	25,000
(r) Ditto-Borrowings	—	—	—	—	—	—	—	–25,000 29,000	15,000	19,000
(s) Industrial Bank of Manchou, Debentures	—	—	—	—	—	—	10,000	20,000	45,000	75,000
(t) Ditto-Public Subscription	—	—	—	—	—	—	—	12,799	—	12,799
(u) Ditto-Borrowings	—	—	—	—	—	—	—	—	–45,000 55,000	10,000
(v) Other Debentures	—	1,700	450	1,875	—	—	2,500	3,300	–8,000 8,000	9,825
(w) Other Borrowings	—	—	—	—	—	—	—	13,110	3,433	16,543
(6) Capital paid for New Established or Newly Called	12,203	38,345	65,225	21,983	59,440	84.863	133,897	228,978	151,579	796,513
(7) State Borrowings	20,000	—	—	–2,000	–2,000	–2,000	–2,000	—	—	12,000
(8) State Foundation Loans	—	30,000	—	–2,000	–2,000	–6,000	–8,000	—	—	10,000
(9) N. Manchuria Ry. Loans	—	—	—	60,000	60,000	60,000	50,000	—	—	170,000
(10) Ditto-Borrowings	—	—	—	15,400	–15,400	–38,360	–38,360	—	—	0
(11) State Investment Loans	—	—	10,000	—	—	—	–600	135,000	–8,000 215,000	351,400
(12) Ditto-Borrowings	—	—	—	—	—	—	100,000	–100,000	–135,000 135,000	0
(13) Hydro Electric Loans	—	—	—	—	—	—	—	50,000	—	50,000
(14) Financing Industry Loans	—	—	—	—	—	—	—	—	—	45,000
TOTAL	97,203	151,245	271,675	378,598	262,995	348,273	439,481	1,103,713	1,010,704	4,063,887

Because of clogged conditions during 1938 in the new issue capital market in Japan, bond financing was virtually at a standstill and the business and manufacturing companies in need of capital had to pay their way through temporary bank loans. Since early in 1939 the capital market has shown signs of revival and, as a series of debenture issues have been placed with success, Manchuria Industrial has come to play an important role as a source of new capital for Manchoukuo's enterprises.

Financial operations in the Japanese market on behalf of Manchoukuo corporations are virtually the monopoly of the Industrial Bank of Japan. In effecting remittance of the proceeds of bonded and other debts, however, the media at present are the Yokohama Specie Bank, the Bank of Chosen, and the Central Bank of Manchou. A movement is now afoot to discard this last mentioned system and to appoint the central bank as the sole agency for such transactions.

To form some idea of the size of the net volume of Japanese investments an estimate will have to be made of their repatriation to Japan. The task entails much difficulty as no reliable data are available to form the basis of such calculation. At a meeting of a Diet sub-committee deliberating on the budget bill on February 12, 1940, the Japanese Government stated in reply to an interpellation that such backflow from Manchoukuo was about ¥200 million in dividend payments and incorporate debt servicing, while another ¥100 million came home in net profits of private enterprises and remittance, or a total of ¥300 million represented repatriated Japanese capital from Manchoukuo in 1939. Deducting this ¥300 million from the investment of ¥1,100 million in 1939, the amount of ¥800 million then can be taken as Japan's net investments in the region. This figure, however, can hardly be taken as accurate, even if the backflow capital estimate is considered authentic, because the original investment figure does not take account of the investments and remittances of private proprietors of businesses in Manchoukuo.

The export surplus of Japan in trade with Manchoukuo and Kwantung Province in 1939 which, combined, approximately corresponds to Japan's net investments in these regions, was ¥959 million. This figure, plus the above ¥800 million in net investments, should be regarded as the 1939 total of investments and remittances of private proprietors in the rough.

Table 11. DISPOSAL OF JAPANESE INVESTMENTS

(Prepared by Manchuria Affairs Board, Japan)

	S.M.R. Co. & affiliations (¥1,000)	%	Manchoukuo Govt. affiliations (¥1,000)	%	Total (¥1,000)	Cummulative Total (¥1,000)
1932	65,000	69	32,203	33	97,203	97,203
1933	81,200	53	70,045	47	151,245	248,448
1934	188,000	69	83,675	31	271,675	520,123
1935	266,350	70	112,248	30	378,598	898,721
1936	191,705	73	71,294	27	262,995	1,161,716
1937	165,050	48	176,223	52	348,273	1,509,989
1938	77,544	18	353,437	82	439,481	1,949,470
1939	290,391	26	813,323	74	1,103,713	3,053,183
1940	343,950	34	666,754	66	1,010,704	4,063,887
Total	1,669,190	42	2,394,692	56	4,063,887	—

Foreign Investments

Foreign investments in Manchuria, other than Japanese, as in 1928 amounted to 553 million yen, according to the South Manchuria Railway Company. The investments are classified as follows:

Table 12. FOREIGN INVESTMENTS IN MANCHURIA BY COUNTRIES (1928)

		%
U.S.S.R.	¥465,015,000	82.5
Great Britain	39,590,000	7.0
United States	26,400,000	6.5
France	21,086,000	3.8
Sweden	850,000	—
Denmark	157,000	—
Total	553,098,000	100.0

Manchuria Industrial Development Corporation

The objects of the Manchuria Industrial Development Corporation is to invest in and supervise the management of various companies established for the purpose of developing iron mining, light metal, automobile manufacturing, aircraft manufacturing, coal mining, and other industries in Manchoukuo. The Corporation may also invest in gold, zinc, lead, copper and other mining industries in Manchuria as well as in various other domestic and foreign enterprises which were given approval by state ministers of those departments concerned. The Corporation may also act as a promoter for the establishment of various companies which aim at developing the aforementioned industries and may accommodate those companies with funds or guarantee their liabilities.

By merging or newly establishing various subsidiary companies, the Manchuria Industrial Development Corporation will undertake the exploitation of the three largest mineral resources, namely, iron, coal and light metal, as well as other mineral industries in Manchuria. It will manage the automobile and aircraft manufacturing industries and is entitled to promote any other industry with the approval of state ministers concerned.

The transference of the Nippon Industrial Company, with its widely ramified affiliations, to Manchoukuo and the formation of the Manchuria Industrial Development Corporation in December, 1937 may be explained by two main reasons.

In the first place, the economic ideology enforced up to that time in Manchuria had been found unsatisfactory. It was found necessary to adjust her industries more in line with the conditions in Japan in order to effect a smooth and logical cooperation between the two countries. Idealism had to be modified to fill the gap which would not have been so much of a handicap under ordinary circumstances.

In the second place, under the increasing pressure of productive expansion Manchoukuo had to turn to the development of internal resources and enterprises. Prior to the China Incident her main industries had been mostly dependent upon the industries of Japan. When the 5-year industrial expansion plan was launched it began to be seen that Manchoukuo's dependence upon Japan would have to be reduced.

The conditions imposed by the China conflict made an early decision in this matter imperative, and the exploitation and development of Manchoukuo's natural resources now emerged as an urgent issue. In order to accomplish it a coordinated plan had to be evolved. The policy hitherto followed of placing one major industry under one company failed to make for the integration and coordination of various enterprises. The unwritten law of restricting profit dividends was also found objectionable. The consideration of an increase of material production had to be placed before ideals of managed economics. From this necessity the heavy industries of the country had to be transferred from an individualist to a composite system. Thus Manchoukuo is now neither to step ahead nor lag behind Japan in the prosecution of her industrial plan. The two have been brought into a harmonised combination.

A further advantage which will accrue as a result of the formation of the new concern is that by using the Nippon Industrial Company as its nucleus, the Manchuria Industrial Development Corporation would acquire the shareholders of the former company, which numbered as much as 54,574 in November, 1937, as well as its negotiable security holdings in its subsidiary companies. It will also receive the benefit of the experience and technique gained by the personnel of the Nippon Industrial Company and its subsidiaries during their many years of activity. The above-mentioned benefit becomes the more valuable when viewed from the fact that the subsidiary companies operated by the Nippon Industrial Company, are all of national importance and that many of them are quite similar to the heavy industries planned by the Manchoukuo Government.

Table 13. FINANCIAL CONDITION OF MANCHURIA INDUSTRIAL DEVELOPMENT CORPORATION

(In ¥1,000)

		Average paid up capital	Profit	Profit Rate (%)	Dividend Rate (%)
1933	2nd half	65,083	5,910	18.2	10.0
1934	1st half	71,420	10,590	29.7	12.0
	2nd half	94,505	11,933	25.3	12.0
1935	1st half	99,415	6,747	13.6	12.0
	2nd half	112,671	7,606	13.5	10.0
1936	1st half	124,561	8,907	14.3	10.0
	2nd half	124,561	11,367	18.3	10.0
1937	1st half	119,955	8,107	13.5	10.0
	2nd half	196,349	10,955	11.2	12.0*
1938	1st half	291,535	14,019	9.6	(A) 5.0 (B) 10.0
	2nd half	396,750	17,883	9.0	(A) 5.0 (B) 10.0

(Continued)

		Average paid up capital	Profit	Profit Rate (%)	Dividend Rate (%)
1939	1st half	450,000	30,270	13.5	(A) 5.0 (B) 10.0
	2nd half	450,000	30,540	13.6	(A) 5.0 (B) 10.0
1940	1st half	450,000	30,617	13.6	(A) 5.0 (B) 10.0
	2nd half	450,000	24,281	10.8	(A) 5.0 (B) 10.0
1941	1st half	450,000	27,754	12.3	(A) 4.0 (B) 8.0

Note: * Inclusive of 2% special distribution.
(A) Dividend for Government.
(B) Dividend for Private Holders.

Table 14. BALANCE SHEET OF MANCHURIA INDUSTRIAL DEVELOPMENT CORP.

(Unit: in ¥1,000)

(A) Assets

	Nov. 1938	May 1939	Nov. 1939	May 1940	Nov. 1940	May 1941
Capital Uncalled	53,250	—	—	—	—	—
Securities	515,065	650,722	840,388	1,032,952	1,228,190	1,251,384
Fixed Assets	1,175	3,050	3,540	4,641	4,701	5,446
Affiliation Cos' Accounts	60,590	64,766	120,223	188,494	217,495	406,732
Acc't Receivable	5,181	10,316	14,370	13,608	19,714	20,564
Suspense Payments ..	9,616	9,444	7,784	5,975	7,884	9,944
Bank Accounts	14,126	25,834	71,043	26,309	25,565	28,905
Transfer Savings ...	19	4	4	17	3	7
Cash on Hand	8	9	5	8	7	4
Total	659,030	764,146	1,057,357	1,272,003	1,503,529	1,723,987

(B) Liabilities

	Nov. 1938	May 1939	Nov. 1939	May 1940	Nov. 1940	May 1941
Capital	450,000	450,000	450,000	450,000	450,000	450,000
Legal Reserves	24,935	25,829	27,342	28,869	30,400	31,614
Special Reserves	16,358	16,358	27,359	37,358	47,358	51,358
Debentures	—	30,000	130,000	170,000	210,000	340,000
Affiliation Cos' Accounts	23,985	13,130	12,646	64,329	64,042	54,045
Deposits	1,021	791	744	771	773	614
Suspense Receipts ...	3,981	1,858	1,896	880	873	955
Acc't Payable	705	1,231	2,146	2,693	2,670	3,255
Funded Debts	117,410	189,940	369,210	479,010	663,590	762,802
Carried from Previous Term	2,753	4,738	5,475	7,456	9,542	11,589
Net Profit of the Current Term	17,883	30,271	30,540	30,617	24,281	27,754
Total	659,030	764,146	1,056,357	1,272,003	1,503,529	1,723,987

(C) Disposition of Profit

	Nov. 1938	May 1939	Nov. 1939	May 1940	Nov. 1940	May 1941
Net Profit for the Current Term	17,883	30,273	30,540	30,617	24,281	27,754
Carried from the Previous Term	2,752	4,738	5,475	7,476	9,542	11,589
Total	20,636	35,009	36,015	38,093	33,823	38,343
Disposed as Follows:						
Legal Reserve	894	1,514	1,527	1,531	1,214	1,388
Special Reserve	—	11,000	11,000	11,000	4,000	12,000
Dividends to Gov't. Share (5% Annum)	4,959	5,625	5,625	5,625	5,625	*4,500
Div. to Public Shares (10% Annum) ...	9,919	11,250	11,250	11,250	11,250	*9,000
Bonus	125	145	138	145	146	150
Carry over to Next Term	4,738	5,475	7,476	9,542	11,589	12,305

Note: * Dividends in this term were 4% for Government and 8% for public.

Table 15. SECURITIES OWNED BY MANCHURIA INDUSTRIAL DEVELOPMENT CORPORATION CLASSIFIED

Share of (in Manchoukuo)	1938 (May) Shares (1,000)	1938 (May) Amount (¥1,000)	1939 (May) Shares (1,000)	1939 (May) Amount (¥1,000)	1940 (May) Shares (1,000)	1940 (May) Amount (¥1,000)
Showa Steel Works ...	3,100	108,050	3,100	183,050	3,100	183,050
Manchuria Colliery ..	5,555	63,283	5,978	225,502	5,978	300,502
M. Light Metals	980	30,250	1,574	78,700	1,574	78,700
Dowa Automobile	71	3,560	509	25,440	509	25,440
M. Mining	1,000	25,000	1,000	50,000	2,000	100,000
M. Aircraft	400	5,000	2,000	40,000	2,000	80,000
Tungpientao Dev'mt. ..	400	6,800	1,280	64,000	2,580	115,350
M. Automobile	—	—	2,000	25,000	2,000	25,000
Penhsihu Iron & Col.	—	—	800	40,000	800	40,000
Kyowa Iron Mining ..	—	—	80	4,000	80	4,000
M. Heavy Machine ..	—	—	—	—	772	38,600
M. Boring	—	—	—	—	29	740
M. Vanadium Mining	—	—	—	—	190	2,375
Japan Mining	1,867	93,345	1,815	90,768	1,815	90,768
Hitachi, Ltd.	817	42,270	1,264	59,029	1,325	66,136
Nissan Chem. Ind. ..	1,274	62,423	1,278	62,727	969	48,091
Japan Marine Product	833	44,537	559	29,861	449	24,009
Nissan Automobile ...	294	14,700	294	14,700	294	14,700

(in Japan)	1938 (May) Shares (1,000)	1938 (May) Amount (¥1,000)	1939 (May) Shares (1,000)	1939 (May) Amount (¥1,000)	1940 (May) Shares (1,000)	1940 (May) Amount (¥1,000)
Nissan Agriculture ...	—	—	123	6,158	123	6,158
Hitachi Elec. Power	89	2,780	60	2,614	60	3,006
Nissan Civil Engrg. ..	—	—	20	1,000	20	1,000
Government Bonds ...	—	401	—	402	—	3,757
Total incl. Others	—	515,065	—	1,032,952	—	1,251,384

Note: M. represent Manchuria

Agreement

The agreement arrived at between the Manchoukuo Government and the Nippon Industrial Company with regard to protecting the interests of the existing shareholders of the latter concern is as follows:

1. At the disposal of profit for each period, the dividend shall be determined as follows:

   (a) When the dividend rate for private shareholders is 10% or under, the dividend for the shares held by Manchoukuo shall be one-half thereof. For example, if the private shareholders receive a 10% dividend Manchoukuo shall receive a 5% dividend.

   (b) Any profit in excess of a dividend of 10% for private shareholders and 5% for Manchoukuo shall be divided equally. For example, if private shareholders receive a 12% dividend, Manchoukuo shall receive a 7% dividend.

2. In the event of liquidation of the Corporation, the residue shall be divided between the private shareholders and the Government shares in the ratio of two to one up to one and one-half times the amount of the paid-up capital. Any excess over one and one-half times the paid-in capital shall be divided equally.

3. The Manchoukuo Government shall guarantee the principal and a consolidated net return of 6% per annum on all funds expended by the Corporation in connection with carrying on enterprises in Manchoukuo for ten years from the formation of the Corporation. In the event the Corporation does not earn the said 6% per annum and it is necessary for the Manchoukuo Government to make up a deficit up to 6%, the Government shall be reimbursed in subsequent periods out of any earnings in excess of 6%.

4. No Manchoukuo tax shall be imposed on profit made by the Corporation from investments outside Manchoukuo. Dividends paid by the Corporation to shareholders residing outside of Manchoukuo shall not be taxed. In regard to the taxation of enterprises in Manchoukuo, the Manchoukuo Government shall take suitable steps so that the functions of integrated management of the Corporation will not be impaired in the event that a change in the taxation system should cause an additional burden to be placed on the Corporation in the future.

5. The Corporation shall not be restricted in fixing the dividend rate when a disposal of profits is made.

6. In regard to the marketability of the private shares of the Corporation, the Japanese and Manchoukuo Governments shall take suitable measures so that the existing negotiability shall not be impaired.

In short, adequate protection in the form of guarantees and other privileges as listed above is to be given to the Corporation's enterprises carried on within Manchoukuo during their early stages. Therefore, even in the event that the corporation undertakes large scale projects for rapid development, it will be in a position to continue paying dividends on private shares at a rate unchanged from that of the Nippon Industrial Company, so long as there is no deterioration in the operating and earning conditions of the former enterprises of the Nippon Industrial Company.

ARTICLES OF ASSOCIATION OF MANCHURIA INDUSTRIAL DEVELOPMENT CORPORATION

Section I. General Provisions

Article 1. The Corporation shall be called MANCHURIA INDUSTRIAL DEVELOPMENT CORPORATION and shall be supervised by the Government under the Manchuria Industrial Development Corporation Administration Act passed by virtue of Imperial Ordinance No. 460 of the 4th year of Kangte.

Article 2. The objects and purposes of the Corporation are to invest in any or all of the following industries, and to direct the management thereof in Manchoukuo:

1. Iron and Steel industry
2. Light Metal Industry
3. Automobile Manufacturing Industry
4. Aeroplane Manufacturing Industry
5. Coal Industry

Besides the business mentioned in the preceding paragraph, the Corporation may invest in the business of mining gold, zinc, lead, copper and other metals as well as in various domestic and foreign businesses for which the sanction of the Minister of the Competent Department is obtained.

The Corporation may become a promoter for the purpose of organizing companies the objects of which are businesses in the two preceding paragraphs or may advance funds to affiliated companies and guarantee the obligations thereof.

Article 3. The amount of capital of the Corporation shall be Four Hundred Fifty Million Yen (¥450,000,000), Japanese currency.

Article 4. The head office of the Corporation shall be located in Hsinking Special City, a branch office shall be located in the City of Tokyo, Japan, and offices and business quarters may be established in necessary places by decisions of the Board of Directors.

Article 5. Public notices of the Corporation shall be given in the Government Public Gazette and in the Official Gazette issued by the Japanese Government.

Section II. Shares

Article 6. The capital of the Corporation shall be divided into Nine Million (9,000,000) shares of the par value of Fifty Yen (¥50) per share, Japanese currency.

Article 7. The shares of the Corporation shall be classified into two classes, viz., Four Million Five Hundred Thousand (4,500,000) shares owned by the Government which shall be designated Class A Shares, and Four Million Five Hundred Thousand (4,500,000) shares owned by persons other than the Government, designated as Class B Shares.

Article 8. The total amount paid up on Class A Shares shall be equal to the total amount paid up on Class B Shares.

Article 9. Share certificates of the Corporation shall have the name of the shareholders inscribed thereon. Certificates for Class A Shares shall be of two denominations viz., a share certificate for Two Million Three Hundred Seventy Thousand (2,370,000) shares, and a share certificate for Two Million One Hundred Thirty Thousand (2,130,000) shares. Certificates for Class B Shares shall be of four denominations, viz., one (1) share certificates, ten (10) share certificates, fifty (50) share certificates and one hundred (100) share certificates.

Article 10. The amount of dividend payable to shareholders at the close of each fiscal term of the Corporation not in excess of seven and one half (7½) per cent per annum on the paid-in capital, shall be distributed in the proportion of one part to Class A Share and two parts to Class B Shares.

In case the amount of dividend payable to shareholders at the close of each fiscal term, exceeds seven and one half (7½) per cent per annum on the paid-in capital, the rate of dividend for such excess shall be equal as to Class A Shares and Class B Shares.

Article 11. In case of dissolution of the Corporation, the residual assets, the value of which do not exceed one hundred fifty (150) per cent on the paid-in capital, shall be distributed in the proportion one part to Class A Shares and two parts to Class B Shares.

In case the value of the residual assets exceed one hundred fifty (150) per cent of the paid-in capital, the rate of distribution of such excess shall be equal as to Class A Shares and Class B Shares.

Article 12. A shareholder who fails to pay calls for payment upon shares shall pay interest for delay at the rate of Three (3) sen, Japanese currency, per day for each One Hundred Yen (¥100) of amount in delay, calculated from the day following the date fixed for payment to the date of actual payment.

Article 13. Shares of the Corporation may be transferred to persons of Manchoukuo and Japanese nationality only, or to juridical persons organized under the laws of either of these countries, the majority of the voting power of which juridical persons belongs to a person or persons or a juridical person or persons of Manchoukuo or Japanese nationality.

Article 14. Shares of the Corporation are not transferable by endorsement on the share certificates.

Article 15. In cases of transfers of shares, written application to record such transfers on forms provided by the Corporation, signed by both parties, shall be submitted to the Corporation together with the share certificate or certificates signed on the back thereof by the acquirer.

In cases of change in ownership of shares from causes other than transfer, a written application to record such change on forms provided by the Corporation shall be submitted to the Corporation together with documents proving the fact of the change in ownership together with the share certificate or certificates signed on the back thereof by the acquirer.

In the cases provided for in the two preceeding paragraphs, the Corporation shall record the fact of the transfer or change in ownership in the register of shareholders and return the share certificate or certificates to the applicant after having the fact of the transfer or change in ownership authenticated by the Representative of the Corporation on the reverse side thereof.

A fee of Ten (10) sen, Japanese currency, per share certificate shall be paid for recording transfers or changes in ownership.

Article 16. A person designing to exchange his or its share certificate or certificates for a new share certificate or certificates because of division, combination, mutilation or for other reasons, shall submit to the Corporation a written application on the form provided by the Corporation, in which the reasons for the exchange shall be clearly stated, together with the share certificate or certificates.

A fee of Fifty (50) sen, Japanese currency, per new certificate shall be paid for the exchange of certificates.

Article 17. A shareholder who has unintentionally lost his or its share certificate or certificates may apply for re-issuance of a share certificate or certificates only after completing public notice proceedings and securing a judgment cancelling the right.

A shareholder, intending to make the application referred to in the preceding paragraph, shall submit to the Corporation a written application on the form provided by the Corporation accompanied by documents showing the fact that the public notice proceedings have been completed and the judgment cancelling the right has been secured.

A fee of Fifty (50) sen, Japanese currency, per certificate shall be paid on the re-issuance of share certificates.

Article 18. The Corporation may close the registration of share transfers from May 26th and November 26th of each year until the conclusion of the Ordinary General Meeting of Shareholders held in the respective following months.

In addition to the cases set forth in the preceding paragraph, if it is deemed necessary, the registration of share transfers may be suspended for a certain period of time after giving public notice to this effect.

Article 19. A shareholder or the legal or other representatives of shareholders shall file with the Corporation his name, address and seal impression on the form prescribed by the Corporation. This provision shall also apply in respect to any changes therein.

A person referred to in the preceding paragraph residing in a country other than Manchoukuo and Japan shall previously fix a temporary address or an attorney in either of these two countries and shall give notice to the Corporation of this fact. This provision shall also apply in respect to any changes therein.

Section III. General Meeting of Shareholders

Article 20. General Meetings of Shareholders shall be of two kinds, viz., Ordinary General Meetings and Extraordinary General Meetings. Ordinary General Meetings shall be called in the months of June and December of each year, and Extraordinary General Meetings shall be called at any time when deemed necessary. General Meetings of Shareholders shall be held in the place where the head office is situated or in the City of Tokyo, Japan.

Article 21. The date, time and place of General Meetings of Shareholders shall be fixed by the President, and a notice of call shall be despatched to each shareholder ten (10) days prior to the date of a meeting.

Article 22. The President shall act as Chairman of General Meetings of Shareholders. In case the President is prevented from acting as Chairman, a Vice-President shall take the Chair.

Article 23. In case of a tie vote in respect to proceedings at General Meetings, the Chairman shall cast the deciding vote.

Article 24. A shareholder may exercise his or its voting power by proxy, provided, however, that a proxy holder must be a shareholder or an officer of the Corporation.

A proxy holder referred to in the preceding paragraph shall submit to the Corporation a document showing his proxy power. This provision, however, shall not apply in case the fact that he has been given a proxy is known to the Corporation.

Article 25. Minutes shall be prepared of proceedings at General Meetings, and a summary and the results of proceedings shall be written therein. The minutes shall be signed by the Chairman, a Director or Directors, an Auditor or Auditors and one or more shareholders present at the meeting, and shall be kept at the office of the Corporation.

Section IV. Officers

Article 26. The Corporation shall have one President, two Vice-Presidents, five or more Directors and three or more Auditors.

The President shall appoint a certain number of Managing Directors from the Directors.

Article 27. The President shall represent the Corporation and superintend the business affairs thereof.

In case the President is prevented from performing his duties, one of the Vice-Presidents shall perform the duties of the President.

The Vice-Presidents and the Directors shall assist the President and shall manage the business affairs of the Corporation.

The Auditors shall audit the business affairs of the Corporation.

Article 28. The President and Vice-President shall be appointed by the Government and Directors and Auditors shall be elected at General Meetings of Shareholders.

The term of office of the President and of Vice-President shall be five years, the term of office of Directors shall be four years and of Auditors three years.

Article 29. Directors and Auditors shall continue to perform the duties of their office after the expiration of their term of office until the conclusion of the Ordinary General Meeting of Shareholders for the period in which their term of office expires.

Article 30. The President, Vice-President and Directors attending to the ordinary business affairs of the Corporation, who desire to engage in other business, shall obtain permission to do so from the Minister of the Competent Department.

Article 31. The amount of remuneration and allowance to the President and Vice-Presidents shall be decided by the Government, and the amount of remuneration and allowance to Directors and Auditors shall be decided at General Meeting of Shareholders and shall be approved by the Minister of the Competent Department.

Article 32. The President, Vice-Presidents and Directors shall constitute the Board of Directors, and at Meetings of the Board of Directors matters relating to important business affairs of the Corporation shall be discussed.

Decisions at Meetings of the Board of Directors shall be made by the President.

Article 33. Auditors may be present at Meetings of the Board of Directors and may state their opinions.

Article 34. Auditors shall examine the documents to be submitted to General Meetings of Shareholders and shall report their opinions to the Meetings.

Section V. Accounts

Article 35. The fiscal terms of the Corporation shall be from November 26th to May 25th and May 26th to November 25th. The accounts of the Corporation shall be closed on the last day of each term.

Article 36. The President shall prepare the proposals in regard to the Inventory, Balance Sheet, Business Report, Profit and Loss Statement and Proposition for Disposal of Profit for each fiscal term, and shall submit them with the written opinion of the Auditors thereon to Ordinary General Meetings of Shareholders and obtain approval thereof.

Article 37. The net profits of the Corporation for each fiscal term shall be the balance after deducting the gross loss from the gross profit in such fiscal term. The net profit and the amount brought forward from the preceding term added thereto shall be disposed of in the following manner:

Five per cent of the Net Profits to Legal Reserve
A portion to Special Reserves
A portion to Dividends for Shareholders
A portion to Bonus to Officers
A portion to be carried forward

Article 38. Dividends to shareholders shall be paid after the completion of each Ordinary General Meeting of Shareholders to shareholders of record as of May 26th and November 26th each year.

Section IV. Supplementary Provisions

Article 39. The register of shareholders and the original record of debentures of the Corporation shall be kept temporarily in the Tokyo Branch after obtaining permission from the Minister of the Competent Department.

MANCHURIA INDUSTRIAL DEVELOPMENT CORPORATION ADMINISTRATION ACT

Imperial Ordinance No. 460, issued on December 20th
of the 4th year of Kangte

This is to sanction the Manchuria Industrial Development Corporation Administration Act and to order the same to be promulgated with approval of the Privy Council in accordance with Article 36 of the Constitution.

Signed and sealed by the Emperor of Manchoukuo on December 20th of the 4th year of Kangte

Chang Ching Hui
Prime-Minister of State
Lu Jung Huan
Minister of the Industrial Department
Han Yuan Chieh
Minister of the Economic Department
Chang Huan Hsiang
Minister of the Judicial Department

Imperial Ordinance No. 460.

Manchuria Industrial Development Corporation Administration Act

Article 1. The Government shall supervise the Manchuria Industrial Development Corporation in accordance with this Law, in order to expedite the coordinated establishment of heavy industries in this country, and to control these industries.

Article 2. The objects of the Manchuria Industrial Development Corporation are to invest in any or all of the following industries and to direct the management thereof in this country:

1. Iron and Steel Industry
2. Light Metal Industry
3. Automobile Manufacturing Industry
4. Aeroplane Manufacturing Industry
5. Coal Industry

Besides the business mentioned in the preceding paragraph the Manchuria Industrial Development Corporation may incidentally invest in the business of mining gold, zinc, lead, copper and other metals or other enterprises. Provided, that the sanction of the Minister of the Competent Department shall be obtained for businesses other than investments in the mining business in this country.

Article 3. The Manchuria Industrial Development Corporation shall establish its head office in Hsinking Special City.

Article 4. The amount of capital of the Manchuria Industrial Development Corporation shall be Four Hundred Fifty Million Yen (¥450,000,000). Provided, however, that the amount of capital may be increase with the sanction of the Minister of the Competent Department.

In the case contemplated in the proviso of the preceding paragraph, shares without voting power may be issued, irrespective of the provisions of the second paragraph of Article 97 of the Corporation Law.

Article 5. The Government shall own one half of the total number of shares with voting power of the Manchuria Industrial Development Corporation.

Article 6. Shares with voting power of the Manchuria Industrial Development Corporation may be transferred to persons of Manchoukuo and Japanese nationality only, or to juridical persons organized under the laws of either of these countries, the majority of the voting power of which juridical persons belongs to a person or persons or a juridical person or persons of Manchoukuo or Japanese nationality.

Article 7. The Manchuria Industrial Development Corporation shall have one President, two Vice-Presidents, five or more Directors and three or more Auditors.

Article 8. The President shall represent the Manchuria Industrial Development Corporation and superintend the business affairs thereof.

In case the President is prevented from performing his duties, one of the Vice-Presidents shall perform the duties of the President.

The Vice-Presidents and the Directors shall assist the President and shall manage the business affairs of the Manchuria Industrial Development Corporation.

The Auditors shall audit the business affairs of the Manchuria Industrial Development Corporation.

Article 9. The President and Vice-Presidents shall be appointed by the Government, and Directors and Auditors shall be elected at General Meetings of Shareholders.

The term of office of the President and of Vice-Presidents shall be five years, the term of office of Directors shall be four years, and of Auditors three years.

Article 10. The amount of remuneration and allowance to the President and Vice-Presidents shall be decided by the Government.

Article 11. The President, Vice-Presidents and Directors attending to the ordinary business affairs shall not engage in other business without the permission of the Minister of the Competent Department.

Article 12. The amount of dividend payable to shareholders at the close of each fiscal term of the Manchuria Industrial Development Corporation not in excess of seven and one half (7½) per cent per annum on the paid-in capital, shall be distributed in the proportion of one part to the shares owned by the Government and two parts to the shares owned by others than the Government.

In case the amount of dividend payable to shareholders exceeds seven and one half (7½) per cent per annum on the paid-in capital, the rate of dividend for such excess shall be equal as to each share.

In case the capital is increased in accordance with the provisions of Article 4, a special provision shall be made, with the sanction of the Minister of the Competent Department, as to the dividend payable to shareholders, irrespective of the provisions of the two preceding paragraphs.

Article 13. If at the close of each fiscal term of the Manchuria Industrial Development Corporation, the consolidated net profits accrued from undertaking carried on in Manchoukuo do not equal six (6) per cent per annum on the total amount of funds appropriated for such undertakings, (funds consisting of profits earned from such undertakings excepted), the Government will contribute an amount equal to the amount of such shortage for any fiscal term ending within ten years from the enforcement date of this Law. If and when consolidated net profits for subsequent fiscal terms exceed six (6) per cent per annum, the amount so contributed shall be rapaid from such excess, with interest at the rate of two (2) per cent per annum.

Consolidated net profits shall be calculated by deducting gross losses (interest on debts excluded) from gross profits (profits brought forward included) accrued from undertaking carried on in Manchoukuo.

Article 14. In case of dissolution of the Manchuria Industrial Development Corporation, the residual assets, the value of which do not exceed one hundred fifty (150) per cent of the paid-in capital, shall be distributed in the proportion of one part to the shares owned by the Government and two parts to the shares owned by others than the Government.

In case the value of the residual assets exceed one hundred fifty (150) per cent of the paid-in capital the rate of distribution for such excess shall be equal as to each share.

In case the capital is increased in accordance with the provisions of Article 4, a special provision shall be made, with the sanction of the Minister of the Competent Department, as to the distribution of the residual assets to shareholders, irrespective of the provisions of the two preceding paragraphs.

Article 15. The Manchuria Industrial Development Corporation may issue debentures to the extent of twice the amount of the paid-in capital with the sanction of the Minister of the Competent Department.

Article 16. In calling general meetings of the shareholders of the Manchuria Industrial Development Corporation, a notice shall be sent to each shareholder ten days prior to the date of the meeting.

Article 17. The Manchuria Industrial Development Corporation shall determine its business plans for each fiscal year, and submit the plans to the Minister of the Competent Department. The rule shall apply to any alterations in the plans.

Article 18. Resolutions for the election and dismissal of Directors and Auditors, for amendments to the Articles of Association, for the disposition of profits, for the issuance of debentures for the amalgamation and dissolution of the Corporation shall not become effective unless the sanction of the Minister of the Competent Department is obtained therefor.

Article 19. The Manchuria Industrial Development Corporation shall not transfer its important assets or surrender the same as security without the sanction of the Minister of the Competent Department.

Article 20. The Minister of the Competent Department may issue the necessary orders for supervision of the business affairs of the Manchuria Industrial Development Corporation.

Article 21. The Minister of the Competent Department may issue the necessary orders for control of the enterprises as to the business of the Manchuria Development Corporation.

Article 22. The Minister of the Competent Department may rescind resolutions of the Manchuria Industrial Development Corporation, if he deems such resolutions to be against the laws, regulations, Articles of Association, or to be detrimental to public welfare.

The Minister of the Competent Department may dismiss the President, Vice-Presidents, Directors or Inspectors, if he deems acts of such officers to be against the laws, regulations, Articles of Association, orders issued hereunder, or to be detrimental to public welfare.

Article 23. The Minister of the Competent Department shall appoint Superintendents of the Manchuria Industrial Development Corporation, and have such Superintendent inspect the business affairs of the Manchuria Industrial Development Corporation.

Article 24. The Superintendent of the Manchuria Industrial Development Corporation may at any time examine safes, books and documents of the Manchuria Industrial Development Corporation.

The Superintendent of the Manchuria Industrial Development Corporation may at any time he deems it necessary order the Manchuria Industrial Development Corporation to submit its accounts and a report on the condition of its business.

The Superintendent of the Manchuria Industrial Development Corporation may attend general meetings of shareholders, and other meetings, and express his opinion thereat.

Article 25. The Minister of the Competent Department referred to in this Law shall be the Minister of the Industrial Department and the Minister of the Economic Department.

Article 26. No person other than the Manchuria Development Corporation may use the name of Manchuria Development Corporation, or any other name similar therto, as a trade name.

Supplementary Provisions

Article 27. This Law shall be enforced on and after December 27th of the 4th year of Kangte.

Article 28. The Capital of the Manchuria Industrial Development Corporation may for the time being be in Japanese currency.

Article 29. As to the business coming under the second paragraph of Article 2, in which the Manchuria Industrial Development Corporation may have invested at the time of the enforcement of this Law, such business or businesses as to which notice is given to the Minister of the Competent Department within thirty days from the date of enforcement hereof shall be deemed to have been sanctioned hereunder.

Article 30. If the President, Vice-Presidents or Directors attending to ordinary business affairs of the Manchuria Industrial Development Corporation, who are engaged in other business at the time of enforcement of this Law, notify such fact to the Minister of the Competent Department within thirty days from the date of enforcement hereof, it shall be deemed that they have obtained sanction therefor.

Article 31. The register of shareholders and the original record of debentures of the Manchuria Industrial Development Corporation, with the sanction of the Minister of the Competent Department, shall not be subject to the provisions of Article 123 of the Corporation Law for the time being.

CHAPTER X
FOREIGN TRADE

GENERAL

While Manchoukuo has made rapid strides in developing the cultural, governmental and industrial facilities of the country, its advance in foreign trade has been particularly impressive. Soya beans, bean cake and bean oil combined account for half the value of Manchoukuo's exports. Other important items include coal, pig iron, peanuts and other products. Outstanding gains have been recorded during the past several years in the export of soya beans, iron, sulphate of ammonia, perilla oil, bristles, hides and skins, and bran. Two factors have been mainly responsible for this development. The first is the restoration of peace and expansion of transportation facilities. The second factor is the Japanese capital invested in developing Manchuria's resources.

Cotton piece goods were the leading article of import into Manchoukuo, accounting in past years for about 12 per cent of total imports, but it is being superseded by machinery and implements. Other prominent imports are vehicles, paper, raw cotton, textiles of silk and rayon, petroleum, cotton manufactures, woolen and worsted fabrics, gunny bags, wheat flour, sugar, chemicals and lumber.

The foreign trade in recent years has been heavily against Manchoukuo because imports have increased at a faster pace than exports, and this phenomenon in turn has been due chiefly to a great influx of machinery, hardware, vehicles, etc., required for industrial development activities. For some time to come this tendency will probably persist. On the other hand, imports of wheat flour and cement have dwindled. This development signifies that Manchoukuo has now attained self-sufficiency in the two commodities which are, in fact, being produced in considerable volume by domestic mills. It is significant that along with the expansion in the volume of trade both ways, a change is constantly taking

place in the articles comprising the trade's structure, which faithfully reflects the course of the country's industrial development.

Japan's Share in Manchoukuo's Trade. That Japan's share of both the import and export trade of Manchoukuo so far exceeds the share of any other nation is explained by the following factors:

1. Japan's geographical propinquity to Manchoukuo. The country is as close to Japan as Canada is to the United States.
2. Japanese development of the Kwantung Territory through which the South Manchuria Railway operates since early in the century.
3. Japanese investment of close to 1,000 million yen in Manchuria prior to the establishment of Manchoukuo and investment of over 5,000 million yen up to June, 1941.

   The vast amount of money required to finance the Five Year Industrial Plan for Manchoukuo now under way was raised largely in Japan.
4. Japan is the largest single purchaser of Manchoukuo's exports. In addition, the two nations' similar manner of living places Japan in an advantageous position to serve Manchoukuo's needs.
5. Absence of trade impediments in the form of import restrictions, quotas, etc.
6. A large number of Japanese have selected Manchoukuo as their home. They are developing industries of many kinds which constitute important outlets for Japanese manufactured articles.

Indirect Imports Via Japan. At the same time, it must be noted for convenience in ocean routing and for other considerations, a considerable tonnage of merchandise is first imported into Japan and then re-exported to Manchoukuo but is listed in trade statistics as imports from Japan. For example, the 1937 import figures show as coming from Japan and Chosen, 5,794,000 yuan of petroleum, 4,257,000 yuan of gunny bags and 1,593,000 yuan of lead, but obviously these items came originally from non-Japanese foreign sources. Movements of this sort of goods tend, of course, to swell the figures for imports from Japan.

The second largest source of Manchoukuo imports, exceeded only by Japan, is the United States since that country is the world's largest source of supply for petroleum, iron and steel, vehicles, raw cotton, machinery, tobacco and lumber, and Manchoukuo is absorbing these commodities in growing quantities. Other important countries which sell to Manchoukuo are British India, China, Germany, England, the Netherlands Indies, Belgium and France. Recently Germany and Italy recognized the independence of Manchoukuo and otherwise took steps to promote friendly relations with the new country. They have since concluded trade agreements calling for large scale purchases and reciprocal sales to Manchoukuo against these purchases.

The re-export to Manchoukuo of goods of non-Japanese origin is a characteristic factor in Japan's export industries as a whole. Poorly endowed by nature, Japan must depend largely on foreign countries for its industrial raw materials, which are reshipped abroad after being processed there. Almost two-thirds of Japan's export commodities are based entirely or in part upon imported materials. Many items which Manchoukuo imports are labeled "Made in Japan" but in truth are largely American imports that have been processed in their final form, or Canadian products that have been similarly processed. For instance, in 1937 Japan and Chosen were credited as a source of cotton yarn and piece goods imports into Manchoukuo valued at 94,600,000 yuan and equivalent to 97 per cent of the total for these items, but the commodities had been manufactured from raw cotton supplied almost entirely by the United States and India.

In much the same manner, scrap iron from America is melted in Japan and rolled into rails and sheets or cast into machinery and vehicles intended for the Manchoukuo market; electrolytic copper from America is brought to Japan, drawn into electrical wires, and forwarded to Manchoukuo; crude centrifugal sugar from the Netherlands East Indies is made into the refined product in Japan before being re-exported; and additional cases of this character could be cited. As accelerated movement of such articles from Japan therefore would reflect an increase in the trade of the countries from which the raw materials emanate.

Table 1. GROSS FOREIGN TRADE OF MANCHOUKUO

(M¥1,000)

	Export	Index	Import	Index	Total	Index	% against Total	
							Export %	Import %
1926	566,770	100	421,992	100	988,768	100	57	43
1927	626,002		409,245		1,035,248		60	40
1928	668,678		459,946		1,128,624		59	41
1929	659,682		502,948		1,162,630		57	43
1930	608,384		462,733		1,071,157		62	38
1931	739,272	118	341,600	76	1,080,871	100	68	32
1932	618,157	99	337,673	75	955,830	89	67	33
1933	448,478	72	515,832	114	964,310	90	47	53
1934	448,427	72	539,562	120	1,041,989	97	43	57
1935	421,078	67	604,149	134	1,025,227	95	41	59
1936	602,759	96	691,889	154	1,294,648	120	42	58
1937	645,298	103	887,412	197	1,532,709	142	43	57
1938	725,454	116	1,274,748	280	2,000,202	186	36	64
1939	834,717	133	1,816,124	404	2,650,841	245	32	68
1939 (Jan.-Sept.)	646,663	—	1,278,268	—	1,929,931	—	34	66
1940 (Jan.-Sept.)	544,629	—	1,397,716	—	1,942,345	—	28	72

Note: Statistics of the foreign trade of Manchoukuo include those of the Kwantung Leased Territory from 1932.

Table 2. VALUE PERCENTAGE OF EXPORTS & IMPORTS OF MERCHANDISE BY COUNTRIES AND BY CATEGORIES

(A) Exports

To:	Year	Foodstuffs, Beverage, Prepared Tobacco	Raw Materials	Raw Materials for further Manufacturing	Wholly or Mainly Manufactured Goods	Grand Total of Exports
Japan	1936	34.49	37.59	60.44	46.31	43.66
	1937	42.48	41.59	61.20	36.70	47.74
	1938	—	—	—	—	47.69
	1939	—	—	—	—	51.25
	1940 (Jan.-Sept.)	—	—	—	—	58.15
Chosen	1936	37.11	5.97	4.11	7.31	8.79
	1937	29.94	5.27	3.57	13.46	7.12
	1938	—	—	—	—	6.77
	1939	—	—	—	—	7.51
	1940 (Jan.-Sept.)	—	—	—	—	11.34

(Continued) (Unit: %)

To:	Year	Foodstuffs, Beverage, Prepared Tobacco	Raw Materials	Raw Materials for further Manu-facturing	Wholly or Mainly Manu-factured Goods	Grand Total of Exports
China	1936	25.16	8.70	11.90	43.15	12.11
	1937	23.32	4.07	9.08	38.35	7.12
	1938	—	—	—	—	16.74
	1939	—	—	—	—	20.23
	1940 (Jan.-Sept.)	—	—	—	—	25.57
Great Britain	1936	0.33	7.42	2.61	0	5.20
	1937	0.44	1.85	1.70	0.68	1.64
	1938	—	—	—	—	0.38
	1939	—	—	—	—	0.95
	1940 (Jan.-Sept.)	—	—	—	—	0.24
Germany	1936	1.23	12.79	6.25	—	9.49
	1937	2.33	14.70	5.60	—	10.48
	1938	—	—	—	—	6.95
	1939	—	—	—	—	6.03
	1940 (Jan.-Sept.)	—	—	—	—	—
Italy	1936	0.06	—	0.01	—	0.07
	1937	—	0.78	0.05	0	0.47
	1938	—	—	—	—	0.46
	1939	—	—	—	—	1.52
	1940 (Jan.-Sept.)	—	—	—	—	0.95
U.S.A.	1936	0.38	1.71	7.42	0.15	3.07
	1937	0.05	1.46	8.03	1.10	3.30
	1938	—	—	—	—	1.56
	1939	—	—	—	—	1.72
	1940 (Jan.-Sept.)	—	—	—	—	2.96

(B) Imports

(Unit: %)

From:	Year	Foodstuffs, Beverage, Prepared Tobacco	Raw Materials	Raw Materials for further Manu-facturing	Wholly or Mainly Manu-factured Goods	Grand Total of Imports
Japan	1936	57.36	34.04	73.25	85.73	73.33
	1937	63.82	20.91	62.60	83.37	70.69
	1938	—	—	—	—	73.17
	1939	—	—	—	—	77.58
	1940 (Jan.-Sept.)	—	—	—	—	84.35
Chosen	1936	7.81	5.01	3.26	2.61	3.95
	1937	10.80	5.37	2.82	3.28	4.40
	1938	—	—	—	—	4.47
	1939	—	—	—	—	5.67
	1940 (Jan.-Sept.)	—	—	—	—	4.47

(Continued) (Unit: %)

From:	Year	Foodstuffs, Beverage, Prepared Tobacco	Raw Materials	Raw Materials for further Manu-facturing	Wholly or Mainly Manu-factured Goods	Grand Total of Imports
China	1936	12.86	17.69	3.76	3.58	6.89
	1937	9.26	13.62	2.05	2.48	4.42
	1938	—	—	—	—	5.57
	1939	—	—	—	—	3.69
	1940 (Jan.-Sept.)	—	—	—	—	9.97
Hongkong	1936	2.64	1.13	0.76	0.07	0.72
	1937	1.86	0.90	0.81	0.05	0.50
	1938	—	—	—	—	0.10
	1939	—	—	—	—	0.02
	1940 (Jan.-Sept.)	—	—	—	—	—
British India	1936	1.26	21.62	0.30	2.41	4.08
	1937	1.98	29.39	0.37	3.08	5.10
	1938	—	—	—	—	2.40
	1939	—	—	—	—	1.34
	1940 (Jan.-Sept.)	—	—	—	—	0.95
Great Britain	1936	1.10	0.20	2.23	0.99	1.07
	1937	1.06	0.20	2.33	1.16	1.25
	1938	—	—	—	—	0.58
	1939	—	—	—	—	0.25
	1940 (Jan.-Sept.)	—	—	—	—	0.09
Germany	1936	0.08	0.22	4.67	2.13	1.88
	1937	0.03	0.06	4.28	1.97	1.95
	1938	—	—	—	—	2.90
	1939	—	—	—	—	2.86
	1940 (Jan.-Sept.)	—	—	—	—	—
Italy	1936	0.04	1.86	0.04	0.02	0.23
	1937	0.05	0.68	0.10	0.03	0.12
	1938	—	—	—	—	0.19
	1939	—	—	—	—	0.24
	1940 (Jan.-Sept.)	—	—	—	—	0.26
U.S.A.	1936	0.69	13.66	6.29	1.67	3.43
	1937	0.95	20.26	14.25	2.89	6.53
	1938	—	—	—	—	7.39
	1939	—	—	—	—	4.82
	1940 (Jan.-Sept.)	—	—	—	—	3.97
Australia	1936	7.36	0.28	0.03	0	1.28
	1937	1.38	1.11	0.13	0	0.02
	1938	—	—	—	—	0.19
	1939	—	—	—	—	0.12
	1940 (Jan.-Sept.)	—	—	—	—	0.14

Table 3. MANCHOUKUO'S FOREIGN TRADE CLASSIFIED BY PRINCIPAL COUNTRIES (Unit: M¥1,000)

	Japanese Empire		China		U.S.S.R.		Hongkong	
	Export	Import	Export	Import	Export	Import	Export	Import
1934	318,675	408,601	65,694	57,595	8,423	4,876	6,849	3,597
1935	217,292	456,675	65,353	31,993	4,662	1,168	7,528	2,759
1936	280,904	534,630	128,603	47,685	1,585	261	8,732	4,987
1937	321,615	666,266	113,560	39,328	146	701	8,419	4,411
1938	416,825	933,413	121,683	70,716	29	32	3,902	1,378
1939	521,324	1,540,756	169,194	66,650	14	23	314	332
„ (Jan.-Sept.)	386,173	1,075,080	127,804	50,824	—	—	308	321
1940 („)	378,446	1,241,484	139,283	60,223	—	—	36	39

	British India		D.E.I.		Great Britain		France	
	Export	Import	Export	Import	Export	Import	Export	Import
1934	646	23,944	1,710	6,695	16,218	8,316	2,921	565
1935	2,701	23,821	701	5,062	24,221	9,482	3,570	463
1936	1,691	28,224	1,478	6,859	27,521	7,419	4,837	789
1937	132	45,223	1,266	8,948	9,322	11,127	1,268	3,367
1938	46	30,603	297	933	5,447	7,376	1,512	5,067
1939	44	24,340	178	888	3,270	4,686	670	1,319
„ (Jan.-Sept.)	23	17,974	106	878	2,569	4,019	665	1,222
1940 („)	27	13,268	123	491	1,323	1,311	375	5

	Germany		Belgium		Holland		Italy	
	Export	Import	Export	Import	Export	Import	Export	Import
1934	53,310	12,486	1,190	704	8,073	388	4,303	702
1935	32,799	14,742	1,148	1,511	10,075	815	3,864	1,357
1936	50,278	13,025	953	1,019	7,072	631	383	1,624
1937	59,051	17,278	1,273	3,990	16,570	1,530	2,644	1,064
1938	50,396	37,304	983	4,482	8,001	799	3,457	2,393
1939	50,358	52,241	2,076	1,077	5,041	301	12,659	4,359
„ (Jan.-Sept.)	—	—	467	754	4,008	286	12,531	1,599
1940 („)	—	—	11	430	115	16	5,194	3,682

	U.S.A.		Australia		Total incl. Others		
	Export	Import	Export	Import	Export	Import	Total
1934	5,966	35,227	16	20,917	448,427	593,562	1,041,989
1935	15,596	24,936	37	20,222	421,078	604,149	1,025,227
1936	16,353	23,735	72	8,886	602,759	691,830	1,294,648
1937	18,674	57,923	131	3,069	645,298	887,412	1,532,709
1938	11,360	93,070	167	2,439	725,454	1,274,748	2,000,203
1939	15,396	87,456	225	2,218	834,717	1,816,124	2,650,841
„ (Jan.-Sept.)	11,263	58,746	136	1,966	646,663	1,278,268	1,924,931
1940 („)	16,107	55,530	112	2,004	544,629	1,397,716	1,942,345

ANALYSIS OF IMPORTS

Relative Position of Production and Consumption Goods. The principal imports of consumption commodities of Manchoukuo amounted to 491,000,000 yuan and principal imports of production commodities to 467,000,000 yuan in 1938. The fact that the value of production goods imports almost equals the value of consumption goods imports, is a special characteristic of Manchoukuo's foreign trade when compared with the situation in other senior states, but in making an analysis of the composition of this proportion according to periods, we find that the imports of production goods are gradually growing in quantity in comparison to imports of consumption goods.

In 1932, production goods imports constituted 22.3 per cent of total imports while imports of consumption goods amounted to 77.7 per cent of total imports. However, the percentage of production goods imports has increased gradually until in 1937 production goods amounted to 39.4 per cent and consumption goods to 60.6 per cent, a trend which indicated the increasing importance of production goods. In 1938, 1939 and 1940 this trend continued. This fact is a natural reflection of the internal activities in Manchoukuo, going on in the industrial, mining and construction fields. In this sense, the importation of production goods constitutes the basic conditions for the development of Manchoukuo's national economy. Furthermore, in analyzing the contents of consumption goods imports, we can safely assume that the significance of consumption goods imports in Manchoukuo which is predominantly an importing country, is much less than what statistics actually show since due consideration must be given to the fact that the greater part of the farmers use cloths produced at home (with the exception of products made from imported raw materials by the spinning industry) and that they consume foodstuffs produced within the country (with the exception of wheat flour, sugar, tea, etc.). In substance, the importance of production goods is mounting year by year.

Table 4. VOLUME OF PRINCIPAL ARTICLES EXPORTED AND IMPORTED

(A) Exports

Articles:	Unit	1934	1935	1936	1937	1938	1939
Bristles	(m. tons)	1,694	786	970	850	558	668
Horse Hair ...	(„)	—	—	555	680	495	598
Hides	(„)	—	—	910	908	727	12
Soya Beans ...	(1,000 m.t.)	2,499	1,760	1,975	1,980	2,165	1,712
Other Beans ..	(„)	131	160	144	112	128	154
Bran, wheat ..	(„)	—	—	87	138	97	52
Buck wheat ...	(„)	52	27	29	30	27	14
Kaoliang	(„)	222	73	186	126	216	226
Maize	(„)	124	33	119	112	222	263
Millet	(„)	243	106	161	127	163	214
Wheat	(„)	—	—	15	13	12	0
Bean-cakes ...	(„)	1,220	1,025	850	805	869	1,220
Perilla-cakes	(„)	—	—	27	36	19	25
Ginseng	(m. tons)	263	267	274	216	95	61
Bean oil	(1,000 m.t.)	98	89	67	70	57	73
Perilla oil	(„)	—	—	20	19	13	19
Ground nuts ..	(„)	94	104	97	93	81	28
Castor seeds ..	(„)	—	—	20	27	16	8
Cotton seeds ..	(„)	—	—	15	13	16	6
Hemp seeds ...	(„)	65	70	47	24	30	51
Perilla seeds ..	(„)	32	64	118	64	49	60
Sesamum seeds	(„)	35	17	4	8	9	20
Coal	(„)	4,302	4,182	3,737	3,824	2,953	1,741
Shale oil	(„)	39	52	93	61	—	—
Raw silk, waste	(m. tons)	1,489	1,370	998	1,500	1,199	769
Wool, sheep's ..	(„)	1,590	3,090	3,250	2,900	1,441	1,170
Pig Iron & Kentledge	(1,000 m.t.)	440	432	309	252	—	—
Magnesite	(„)	—	—	110	166	172	248
Soapstone & Talc	(„)	—	—	83	112	81	94
Sulphate of Ammonium	(„)	29	98	177	156	212	128
Salt	(„)	349	280	407	605	405	463

(B) Imports

Articles:	Unit	1934	1935	1936	1937	1938	1939
Raw Cotton ..	(m. tons)	17,001	12,300	23,200	37,200	48,151	8,798
Cotton yarn ..	(„)	10,015	590	538	612	3,043	1,911
Raw Jute	(„)	—	—	11,900	13,400	22,217	14,056
Gunny Bags ..	(1,000 m.t.)	56	55	49	63	62*	67*
Woolen yarn & cord	(m. tons)	—	—	76	255	1,253	729
Artificial silk, floss	(„)	400	335	720	142	—	—
Aluminium ...	(„)	—	—	568	950	2,840†	1,006†
Copper	(„)	5,650	5,655	2,960	5,500	9,242†	9,904†
Lead	(„)	—	—	4,235	4,659	2,540†	2,537†
Tea	(„)	4,718	4,320	4,900	5,220	7,642	9,926
Rice & paddy .	(1,000 m.t.)	74	81	107	68	58	79
Wheat flour ..	(„)	520	465	210	79	240	299
Sugar	(„)	93	107	223	168	236	184
Leaf tobacco ..	(m. tons)	17,050	9,720	15,200	12,900	12,378	9,875
Gasoline, etc. ..	(1,000 U.S. gallons)	19,565	9,013	3,890	17,567	—	—
Kerosene oil ..	(„)	24,754	4,047	3,746	22,853	—	—
Lubricating oil	(„)	4,839	5,518	5,326	5,343	—	—
Crude oil, mineral	(1,000 m.t.)	—	—	118	155	—	—
Sodium & Potassium Hydroxide	(m. tons)	—	—	—	—	6,968	6,876
Fresh fruits ..	(1,000 m.t.)	—	—	—	—	77	105
Fire & acid proof	(„)	—	—	—	—	20	29

Note: * 1,000 pieces † in ¥1,000

Table 8. INTERNATIONAL BALANCE OF PAYMENTS

(Unit: M¥1,000)

(A) Assets

	1934	1935	1936	1937
Total Inward Accounts:	898,362	1,043,939	1,361,268	1,432,187
Of which Visible Trade (Export)	448,427	421,078	602,659	645,298
Of which Invisible Trade				
(a) Ordinary receipts:				
Interest and dividends and foreign securities	2,654	4,378	2,736	3,408
Interest on overseas deposits and loans to foreign countries	5,146	4,658	7,369	7,589
Net profit from overseas enterprise	564	663	1,817	1,352
In connection with shipping	18,505	19,334	18,270	28,305
In connection with insurance	4,480	6,680	8,104	10,215
Total incl. Others ..	127,446	163,081	196,257	249,994

(Continued)	1934	1935	1936	1937
(b) Special receipts:				
Foreign capital invested in Manchoukuo	285,175	404,030	495,127	476,943
Collection of capital invested abroad	37,314	55,750	67,125	59,952
Total	322,489	459,780	562,252	536,895
Total of invisible trade	449,935	622,861	758,509	786,889

(B) Liabilities

	1934	1935	1936	1937
Total Outward Accounts:	802,913	946,977	1,283,408	1,401,273
Of which Visible Trade (Import):	593,562	604,149	691,830	887,412
Of which Invisible Trade				
(a) Ordinary payment:				
Interest and dividends on Manchoukuo securities possessed by foreign nationals	55,089	72,840	86,194	98,585
Interest on foreign loans and deposits	5,653	7,730	8,486	12,577
Net profit from foreign enterprise in Manchoukuo	5,584	11,076	8,692	10,199
Funds taken out by emigrants and returning immigrants' remittance ...	40,115	41,893	44,628	41,407
Payment in connection with shipping	5,817	4,055	4,420	7,297
Payment in connection with insurance	12,619	14,866	18,636	21,918
Amounts expended by Manchoukuoans abroad	21,042	25,289	37,617	39,396
Other payments by Government	3,763	4,605	8,347	32,081
Total	152,874	183,873	244,854	283,165
(b) Special payment:				
Investment abroad	50,487	72,704	64,971	106,854
Collection of foreign capital invested in Manchoukuo	5,990	20,811	236,056	88,985
Total incl. Others ..	56,477	158,955	346,724	230,696
Total of Invisible Trade	209,351	342,828	591,528	513,861
Balance (receipts)	95,449	96,962	77,858	30,914

Table 5. COMMERCE BY PRINCIPAL CUSTOMS DISTRICTS

(Unit: M¥1,000; % against total)

	Dairen				Antung			
	Export	Import	Total	%	Export	Import	Total	%
1934	335,182	449,247	784,428	75.3	44,735	77,372	122,107	11.7
1935	315,371	474,375	779,746	76.3	35,898	75,685	111,584	10.9
1936	422,699	526,201	968,900	74.7	42,163	93,333	135,596	10.4
1937	484,850	640,996	1,125,846	73.4	38,296	53,885	92,180	6.1
1938	508,208	860,024	1,368,232	68.4	46,308	86,532	132,841	6.5
1939	601,294	1,145,813	1,747,107	67.6	60,347	120,227	180,574	6.9

	Yingkow				Shanhaikwan			
	Export	Import	Total	%	Export	Import	Total	%
1934	36,316	29,049	65,365	6.3	8,620	8,105	16,725	1.3
1935	41,606	25,174	66,780	6.5	8,357	5,247	13,604	1.3
1936	52,701	26,347	79,048	6.1	19,039	11,572	30,611	2.4
1937	36,371	49,666	86,037	5.6	18,254	13,902	32,156	2.1
1938	33,837	44,031	77,868	3.8	32,095	28,640	60,735	3.0
1939	32,794	50,304	83,098	3.2	54,649	36,386	91,035	3.5

	Harbin				Tumen			
	Export	Import	Total	%	Export	Import	Total	%
1934	3,903	4,573	13,476	0.6	—	—	—	—
1935	3,005	4,960	7,911	0.8	15,143	27,496	42,639	4.2
1936	951	4,320	5,271	0.4	43,007	28,455	71,462	5.5
1937	537	23,044	23,582	1.5	66,945	47,978	114,923	7.5
1938	306	33,230	33,537	1.6	104,617	68,111	172,728	8.6
1939	157	53,218	53,375	2.7	85,418	157,156	242,574	9.4

Table 9. VESSELS ENTERED AND CLEARED BY FLAGS

	Entered			Cleared		
	No.	Tons (1,000)	Cargo Unloaded (1,000 tons)	No.	Tons (1,000)	Cargo loaded (1,000 tons)
1929	6,422	8,272	—	6,312	8,172	—
1931	6,633	8,083	—	6,089	7,999	—
1933	5,394	8,456	—	5,436	8,592	—
1935	5,523	8,925	—	5,534	9,119	—
1936	5,292	8,323	—	5,333	8,417	—
1937	4,839	7,623	—	4,894	7,696	—
1938	5,043	7,193	4,401.9	5,066	7,236	7,276.3
1939	6,151	7,361	5,634.0	6,151	7,359	6,237.9

(Continued)

Of which:	Entered No.	Entered Tons (1,000)	Entered Cargo Unloaded (1,000 tons)	Cleared No.	Cleared Tons (1,000)	Cleared Cargo loaded (1,000 tons)
Manchoukuoan	583	367	177.6	576	370	339.4
Kwantung	1,126	1,500	1,275.3	1,092	1,441	1,377.8
Japanese	3,379	3,841	3,065.8	3,382	3,822	3,188.9
Chinese	761	556	406.9	803	649	543.0
U.S.S.R.	1	3	—	—	—	—
British	106	412	241.6	107	419	265.9
French	—	—	—	—	—	—
German	71	267	120.4	72	262	298.8
Dutch	13	58	51.0	12	54	9.0
Danish	14	66	45.8	14	66	29.2
Swedish	12	47	24.9	11	43	10.8
Norwegian	48	136	149.3	46	133	86.9
Italian	22	65	30.0	22	62	68.5
Greek	3	10	7.1	2	6	14.4
U.S.A.	6	22	25.3	6	22	2.3
Total incl. others	6,151	7,361	5,634.0	6,151	7,359	6,237.9

DEVELOPMENT OF IMPORT CONTROL

The outbreak of the Sino-Japanese Hostilities in 1937, followed in the autumn of 1939 by the war in Europe, caused significant repercussions in the foreign trade of Manchoukuo. The war in Europe, particularly, brought about acute reductions in the country's exports to certain European countries while causing proportionate difficulties in the importation of necessaries from the belligerent countries and America. To meet this situation it was deemed best to establish a greater control over imports and exports with a view to improving the flow of trade from such countries with which Manchoukuo could transact during the wartime period.

Under the system of import control that came into force in 1939, the exporting of soy beans and grains is done exclusively by the Manchuria Staple Produce Control Corp. and the Manchoukuo Cereals Company, while the importation of heavy industrial products from Japan is monopolized by the Japan-Manchoukuo Trading Company. The importation and domestic distribution of clothing, foods and miscellaneous articles are largely conducted by the Manchoukuo Necessary Goods Distribution Company established in 1939. Such monopolistic organs of distribution are deemed essential from the standpoint of price policy and much is expected of their activities at present while there is a deficiency of various commodities. Building materials are distributed mainly to the national policy companies, which are considered necessary for the purpose of realizing the country's building plans. The Manchoukuo Government has added 54 kinds of goods to those categories for the importation of which official permission is required, and at the same time has decided to form exclusive importing concerns according to the categories of principal goods. In accordance with the decision the government announced on January 6, 1940 its designation of the Dowa Automobile Company for the importation of automobiles and their accessories, the Japan-Manchoukuo Trading Company for chemical and non-ferrous minerals, the Manchuria Rubber Manufacturing Federation for rubber and rubber goods, the Manchuria Leaf-Tobacco Company for leaf tobacco, and the Manchuria Forestry Company for forestry products.

Following is the list of designated commodities which will be handled by the companies above-mentioned.

Dowa Automobile Company. Internal Combustion engines (for automobiles), automobiles and tractors and parts thereof.

Manchuria Leaf-Tobacco Company. Leaf-tobacco.

Manchuria Rubber Manufacturing Federation. Raw rubber and gutta (including re-manufactures), rubber tires and tubes, rubber and gutta percha and manufactures therefrom (excluding rubber and gutta percha for dental use), waste rubber, old rubber and gutta-percha (used only for remanufacturing purposes), articles of rubber, gutta-percha or artificial organic plastic materials, incorporated with textile products, paper, asbestos, etc.

Manchuria Forestry Company. Ironwood (Cassia Siamea), red sandal-wood, red or rosewood, ebony wood, mahogany wood, tea-wood, fragrant woods and other hardwood, softwood, railway sleepers, and floorings (with tenons or tenongrooves).

Japan-Manchoukuo Trading Company, Hydrochloric acid, sulphuric acid, carbolic acid, caustic soda, sodium carbonate (anhydrous), soda ash, nitrate of ammonium, sulphate of ammonium, carbide of calcium, chlorinated lime (bleaching powder), naphthaline, pitch, asphalt, stearin, shale coke, copper ore, lead ore, zinc ore, tin ore, copper, lead, zinc, tin, fooder, fertilizers and chemical fertilizers.

FOREIGN TRADE FOR 1939

The foreign trade of Manchoukuo for 1939 registered exports to the total of 826 million yuan, and imports to the total of 1,783 million yuan, resulting in an import excess of 957 million yuan. The reason for this import excess lies in the tremendous strides made in the five year industrial program, in the development of northern frontier districts, in the colonization program, in the replenishment of the national defence of Manchoukuo as well as in the undertaking of various construction enterprises. The drastic rise in the price of imports in 1939 was another important cause.

RECENT SITUATION

Emergency economic control, now enforced in all countries of Europe, Asia and elsewhere, is gradually forcing all neighboring states with friendly political relations into economic blocs. The primarily aim of such regional understandings is to exchange each other's surplus products, thereby creating an economic autarchy for each region. The new system reverses the old imperialistic custom of exchanging commodities mainly with countries on the opposite side of the globe.

The regional economy creates the need for close similarities in trading methods and means between neighbouring lands. Hence arises a new type of commercial federations, import and export associations between leading traders of countries within a given bloc. All irrational trade barriers between them are eventually swept away in order to make regional economy function better.

The outbreak of World War II caused the stoppage of ocean trade between Manchoukuo and Europe. In June 1941 with the commencement of hostilities between Germany and Soviet Russia the only land route to Europe came to a standstill. In July of the same year the asset-freezing decree of the United States came into force. Such factors have tended to accelerate the movement of Manchoukuo to expand her trade with countries in the so-called East Asia Co-prosperity bloc.

As one means to facilitate a smooth flow of trade with the regional bloc a unified trade structure was projected for Manchoukuo and the Kwantung Territory in May, 1941. It is the aim of

the Kwantung authorities to secure for their Territory similar rights and privileges for trading with Japan, which had been accorded to the semi-official Manchoukuo agencies. During the past era of peace, and free trading the unusual status of Manchoukuo and Kwantung Territory being one economic unit and two separate political entities, with a solid tariff barrier between them, seemed to function fairly well. There was no severe strain on the dual system then. But now, with imports from Japan and overseas countries restricted in both Kwantung and Manchoukuo, and Manchoukuo factory products obliged to pay duties at the Kwantung border, some abnormality in the situation resulted and its settlement was made in 1941.

Instruments for Trading Planning. The Foreign Trade Control Law and the Foreign Exchange Control Law are the main instruments for trade planning. Under the principal enactments, the Government issues ordinances as occasion may require. As may be easily understood, the functions of the Central Bank have become very important, with the progress of emergency finance. In August, 1938, the Bureau of Foreign Exchange had already been established in the Central Bank to undertake the centralized management of Manchoukuo's foreign exchange resources.

The current situation in Asia and in the world at large demands the completion of an economic autarchy comprising Manchoukuo, Japan and China. The enormous natural resources of Manchoukuo, hence her immense industrial and commercial potentialities, supply an important basis for a self-sufficient system in Eastern Asia.

Trade Accord with Mongolia

A trade accord between Manchoukuo and Mongolia (Mengkiang) was arrived at in May, 1941. At the meeting which was held at Dolonnor the representatives of the respective countries agreed to negotiate an annual trade of 1,332,000 yuan. Goods to be exported to Mongolia will consist of sugar, matches, oil, timber, charcoal, daily necessaries and sundries. Goods to be imported from Mongolia will consist of cereals, cattle, horses, sheep and salt. The trade routes decided upon are Chinfeng, Weichang, Dolonnor, Fengning and Pingchiapu.

Table 6. EXPORTS OF PRINCIPAL COMMODITIES

(Unit: M¥1,000)

Sulphate of Ammonium:

	Total	Japan	China	Hongkong	D.E.I.	U.S.A.
1934	1,718	997	184	298	101	135
1935	6,051	5,207	302	282	58	173
1936	11,424	9,942	580	317	351	—
1937	9,676	8,692	482	299	153	—
1938	16,571	15,744	826	—	—	—
1939	11,777	11,072	705	—	—	—

Kaoliang:

	Total	Japan	China	Germany	Holland	U.S.A.
1934	7,311	3,348	3,839	86	12	21
1935	3,993	2,095	1,887	—	—	11
1936	11,726	5,608	100	—	—	—
1937	9,843	6,742	115	—	—	4
1938	18,845	6,741	11,876	—	—	228
1939	27,063	16,019	11,044	—	—	—

Maize:

	Total	Japan	China	U.S.A.	Holland	Others
1934	5,016	2,803	1,950	62	—	101
1935	1,470	514	907	32	—	17
1936	6,995	1,122	5,693	180	—	0
1937	8,526	4,397	4,122	8	—	13
1938	18,328	12,896	5,418	—	—	—
1939	29,072	16,935	12,136	—	—	—

Millet:

	Total	Japan	China	U.K.	Germany	U.S.A.
1934	19,940	18,607	1,063	23	131	87
1935	9,050	8,439	282	15	4	300
1936	18,318	17,548	634	33	7	22
1937	13,197	12,787	1,349	8	—	12
1938	20,260	14,065	6,126	—	—	—
1939	33,694	16,896	16,666	—	—	—

Buckwheat:

	Total	Japan	China	Germany	Belgium	Holland
1934	4,251	339	5	3,151	288	428
1935	2,494	783	4	1,107	281	286
1936	2,373	1,368	14	677	190	101
1937	2,564	872	36	1,197	80	369
1938	2,683	782	77	1,355	111	345
1939	1,853	1,557	152	114	5	14

Soya Beans:

	Total	Japan	China	U.K.	Germany	Egypt
1934	160,349	39,651	9,031	13,714	36,258	46,179
1935	130,053	42,520	12,049	18,215	22,169	16,284
1936	216,475	72,325	18,816	21,411	34,388	50,558
1937	226,076	86,654	6,313	4,143	42,511	76,119
1938	234,263	79,831	11,019	3,457	37,711	92,856
1939	206,584	95,492	10,414	1,278	41,044	42,079

(Exports: M¥1,000)

Other Beans:

	Total	Japan	China	Hongkong	D.E.I.	Others
1934	9,994	7,658	1,330	358	55	593
1935	13,056	10,211	1,543	505	120	677
1936	14,838	12,718	1,325	516	63	216
1937	12,542	10,755	861	627	67	299
1938	14,010	10,542	2,748	485	14	219
1939	25,704	20,210	5,447	4	—	41

Ground nuts:

	Total	Japan	France	Germany	Holland	Italy
1934	14,129	680	1,205	2,606	3,910	1,904
1935	15,141	693	1,733	2,188	5,937	1,184
1936	16,111	1,222	556	5,335	2,834	342
1937	16,370	2,021	316	2,849	2,484	1,386
1938	12,115	6,278	275	1,049	870	93
1939	6,271	3,501	17	79	117	1,680

Hides, Skin & Leather:

	Total	Japan	China	U.K.	U.S.A.	Others
1934	6,687	1,822	175	101	563	27
1935	4,134	2,555	230	167	1,132	50
1936	5,785	3,766	338	120	1,531	30
1937	5,368	2,865	315	289	1,557	342
1938	6,205	2,494	150	87	2,585	888
1939	4,156	1,043	2	28	—	3,082

Bristle:

	Total	Japan	China	U.K.	Germany	U.S.A.
1934	2,146	459	529	239	68	788
1935	2,797	812	329	234	99	1,177
1936	4,404	1,194	779	234	254	1,817
1937	6,541	1,951	606	337	903	2,368
1938	5,471	942	999	292	591	2,346
1939	6,595	1,131	95	756	858	3,598

Hemp seeds:

	Total	Japan	France	Germany	Belgium	U.S.A.
1934	4,410	934	578	1,950	118	453
1935	5,649	1,170	437	298	145	3,387
1936	3,597	716	573	161	59	1,798
1937	2,269	600	542	573	117	17
1938	3,305	785	762	998	249	41
1939	8,381	6,694	347	372	250	84

Perilla seeds:

	Total	Japan	China	U.S.A.		Others
1934	4,153	3,975	2	175	—	—

(Exports: M¥1,000)

Perilla seeds:

	Total	Japan	China	U.S.A.		Others
1935	7,533	7,355	10	166	—	—
1936	13,818	13,176	200	224	—	218
1937	7,885	7,695	88	12	—	91
1938	7,275	7,172	103	—	—	—
1939	10,872	9,862	258	—	—	750

Sesamum seeds:

	Total	Japan	Germany	Holland	Italy	U.S.A.
1934	5,865	3,783	118	177	1,405	39
1935	3,122	1,747	94	51	947	129
1936	832	814	17	—	—	—
1937	2,020	1,997	—	—	—	33
1938	3,421	3,413	—	—	—	6
1939	8,425	7,944	—	—	—	—

Castor Seed:

	Total	France	Germany	Holland	Italy	U.S.A.
1934	2,013	1,125	4	—	123	696
1935	2,795	1,348	268	36	339	751
1936	3,036	2,775	19	—	11	222
1937	4,383	4,361	8	—	14	—
1938	2,630	2,630	—	—	—	—
1939	1,694	1,694	—	—	—	—

Sweeping (cereals):

	Total	Japan	China			Others
1934	8,668	8,666	0	—	—	2
1935	3,220	3,209	0	—	—	10
1936	1,961	1,961	0	—	—	—
1937	3,209	3,197	0	—	—	12
1938	6,809	6,809	0	—	—	—
1939	7,638	7,575	62	—	—	—

Bean Oil:

	Total	Japan	China	U.K.	Germany	Holland
1934	16,262	802	4,792	454	7,703	1,754
1935	20,132	178	2,208	3,584	5,935	2,580
1936	21,383	429	3,110	3,551	8,183	1,235
1937	25,343	219	846	1,303	6,731	9,253
1938	14,099	93	5,317	51	3,804	3,625
1939	23,051	1,774	7,289	76	2,728	3,059

Perilla Oil:

	Total	Japan	China	U.K.	Germany	U.S.A.
1934	597	—	4	5	—	588
1935	2,840	—	3	—	—	2,825
1936	6,764	99	42	3	60	6,548
1937	9,315	1	78	950	1,667	5,804
1938	4,646	1	54	119	1,041	3,134
1939	6,744	0	225	240	1,858	4,049

(Exports: M¥1,000)

Wool, Sheep's:

	Total	Japan	China	Germany	U.S.A.	Others
1934	756	26	581	1	148	—
1935	1,447	8	730	—	706	3
1936	1,925	155	1,143	—	581	46
1937	2,564	381	716	—	1,176	290
1938	2,524	2,100	16	—	49	358
1939	1,769	1,618	—	—	145	5

Raw Silk, wild (Excl. waste):

	Total	Japan	China			Others
1934	7,409	6,675	734	—	—	—
1935	7,279	6,280	999	—	—	—
1936	6,118	4,367	1,751	—	—	—
1937	8,386	6,802	1,584	—	—	—
1938	6,257	5,645	611	—	—	1
1939	5,877	5,329	449	—	—	97

Cotton Yarn:

	Total	Japan	Brit. India			Others
1934	6,136	5,492	641	—	—	2
1935	5,624	2,616	2,024	—	—	384
1936	6,189	3,334	1,447	—	—	1,408
1937	4,468	3,693	53	—	—	724
1938	665	647	17	—	—	—
1939	0	0	0	—	—	—

Coal & Briquettes:

	Total	Japan	China	Hongkong	U.K.	Holland
1934	41,956	34,660	3,777	1,371	924	334
1935	40,474	34,563	2,636	1,373	1,103	267
1936	35,181	31,028	2,350	535	870	311
1937	35,610	31,780	1,786	769	848	324
1938	28,198	26,511	1,046	24	453	29
1939	25,867	24,202	1,452	0	138	—

Iron, (Pig & Kentledge):

	Total	Japan	China	Hongkong	Germany	Holland
1934	10,380	9,738	489	18	58	28
1935	10,329	9,663	631	16	38	6
1936	7,650	7,105	517	7	—	—
1937	6,222	5,908	310	4	—	—
1938	—	—	—	—	—	—
1939	—	—	—	—	—	—

Magnesite (incl. powder):

	Total	Japan	U.K.	Germany	Belgium	U.S.A.
1934	643	642	—	—	—	—
1935	859	774	9	4	—	—
1936	1,295	854	90	83	—	—

(Exports: M¥1,000)

Magnesite (incl. powder):

	Total	Japan	U.K.	Germany	Belgium	U.S.A.
1937	2,214	1,266	112	95	92	529
1938	4,773	3,544	185	208	255	283
1939	6,768	5,974	83	13	93	243

Soapstone, Talc, (incl. powder):

	Total	Japan	China	U.K.	Germany	Others
1934	535	471	43	3	13	5
1935	643	559	58	5	15	6
1936	750	621	86	3	25	15
1937	1,035	960	62	11	69	38
1938	1,237	895	74	—	156	111
1939	2,060	1,506	313	—	48	192

Window Glass, unsilvered:

	Total	Japan	China	Hongkong	D.E.I.	Others
1934	1,422	528	496	28	124	246
1935	1,671	237	922	25	119	368
1936	1,689	496	623	118	88	364
1937	1,667	33	796	189	275	374
1938	1,218	412	653	—	152	1
1939	1,059	344	658	—	—	56

Bean-Cake:

	Total	Japan	China	Holland	Germany	U.S.A.
1934	51,509	41,376	7,474	183	386	1,256
1935	51,370	38,076	9,946	30	330	1,945
1936	53,127	42,220	7,341	13	320	1,610
1937	72,236	50,292	7,713	59	301	2,896
1938	70,575	65,365	3,134	284	30	774
1939	125,253	110,923	12,378	241	52	,626

Table 7. IMPORTS OF PRINCIPAL COMMODITIES

(Unit: M¥1,000)

Dyes, Pigments, Paints, Varnishes, etc.:

	Total	Japan	China	Hongkong	U.K.	Germany	U.S.A.
1934	5,608	2,608	420	263	614	1,190	445
1935	6,745	3,455	287	157	458	1,751	602
1936	7,258	4,136	370	111	475	1,622	431
1937	11,598	5,778	289	102	658	3,669	732
1938	11,857	19,200	63	—	5	1,496	185
1939	15,002	12,209	9	—	1	2,718	49

Rice & Paddy

	Total	Japan	China	Hongkong	Brit. India	French Indo-China
1934	7,476	2,500	1,393	543	1,534	1,464
1935	11,567	4,131	663	446	11,994	4,145
1936	12,592	1,740	3,562	756	1,318	3,489

(Import: M¥1,000)

Rice & Paddy

	Total	Japan	China	Hongkong	Brit. India	French Indo-China
1937	8,754	1,441	3,142	433	1,955	1,955
1938	11,393	9,173	10	0	—	—
1939	18,421	17,075	1	—	—	—

Wheat Flour:

	Total	Japan	China	U.S.A.	Australia	Others
1934	57,059	13,637	6,575	1,357	20,488	1
1935	53,989	33,461	572	54	19,884	18
1936	27,116	15,184	3,291	—	8,507	133
1937	13,828	12,257	235	—	1,196	140
1938	47,089	44,071	1,379	—	—	1,638
1939	68,300	51,413	10,175	—	—	6,713

Aquatic Products:

	Total	Japan	China	Hongkong		Others
1934	8,238	6,866	704	52	—	616
1935	8,553	8,001	272	31	—	249
1936	12,005	11,184	570	109	—	142
1937	20,585	19,637	443	217	—	288
1938	17,136	16,833	293	—	—	10
1939	47,858	46,623	1,039	—	—	296

Sugar:

	Total	Japan	China	Hongkong	D.E.I.	Others
1934	11,565	9,975	275	935	288	92
1935	12,974	11,766	66	583	518	39
1936	29,421	22,818	284	1,851	4,404	64
1937	21,293	14,604	129	531	5,827	197
1938	35,779	35,717	3	—	47	12
1939	42,396	41,812	1	—	—	584

Tea:

	Total	Japan	China	Brit. India		Others
1934	3,023	865	2,084	66	—	8
1935	3,136	1,221	1,832	76	—	7
1936	3,732	1,131	2,463	124	—	14
1937	4,120	1,715	2,221	148	—	86
1938	6,228	5,127	1,089	10	—	3
1939	11,183	10,876	304	2	—	0

Wines, Beer, Spirits, Tablewaters:

	Total	Japan	China	U.K.	France	Others
1934	6,980	5,920	145	655	122	138
1935	7,965	7,099	56	545	139	126
1936	8,368	7,459	99	535	168	107
1937	9,969	8,843	45	571	343	167
1938	9,396	9,394	—	—	—	2
1939	9,956	9,944	7	—	—	4

Cigarettes:

	Total	Japan	China	U.S.S.R.	U.K.	U.S.A.
1934	2,678	443	1,527	47	577	44

(Import: M¥1,000)

Cigarettes:

	Total	Japan	China	U.S.S.R.	U.K.	U.S.A.
1935	1,934	342	730	2	748	58
1936	1,202	191	484	—	310	56
1937	1,419	150	377	—	346	46
1938	1,247	1,159	0	—	35	3
1939	870	867	3	—	0	—

Leaf Tobacco:

	Total	Japan	China	D.E.I.	U.S.A.	Others
1934	8,558	553	4,395	348	3,549	13
1935	6,067	411	3,250	—	1,841	216
1936	8,848	463	5,072	—	3,113	200
1937	7,597	407	3,566	—	3,202	422
1938	7,739	634	4,737	—	2,215	152
1939	8,085	3,660	4,278	—	106	40

Timber & Wood:

	Total	Japan	China	Hongkong	U.S.A.	Canada
1934	17,499	11,781	306	38	4,937	115
1935	14,310	10,137	178	31	3,283	202
1936	11,746	9,061	379	44	1,887	102
1937	14,888	11,262	405	40	2,143	22
1938	23,968	20,728	98	—	—	3,141
1939	76,151	73,395	233	—	—	2,524

Raw Cotton:

	Total	Japan	Brit. India	China	U.S.A.	Others
1934	12,284	457	10,262	511	10,262	15
1935	9,407	60	8,046	1,098	8,046	0
1936	18,601	28	13,862	3,431	837	443
1937	32,202	44	22,340	3,630	4,962	1,227
1938	42,664	35	6,815	28,021	7,678	116
1939	9,043	105	3,126	5,260	552	—

Raw Jute:

	Total	Japan	China	Brit. India		Others
1934	2,375	16	307	2,051	—	1
1935	2,063	31	49	1,982	—	1
1936	2,596	68	22	2,504	—	2
1937	2,734	13	24	3,696	—	1
1938	2,665	3	21	2,640	—	1
1939	3,334	2	8	3,324	—	—

Woolen Yarn & Cord:

	Total	Japan	China	U.K.		Others
1934	2,549	2,280	—	236	—	33
1935	2,030	1,992	—	36	—	38
1936	3,467	3,389	—	70	—	8
1937	7,552	7,445	—	104	—	103
1938	8,352	8,288	31	31	—	3
1939	5,552	5,434	115	1	—	1

(Import: M¥1,000)

Cotton Yarn:

	Total	Japan	China			Others
1934	12,533	5,439	7,055	—	—	44
1935	7,938	5,400	2,538	—	—	0
1936	7,699	7,026	673	—	—	—
1937	10,740	10,207	533	—	—	—
1938	4,7.71	4,605	126	—	—	39
1939	4,184	4,038	145	—	—	—

Cotton Piece-goods (Grey):

	Total	Japan	China	U.K.		Others
1934	17,154	14,987	2,150	2	—	14
1935	24,626	23,710	914	1	—	1
1936	32,048	31,058	987	—	—	3
1937	42,771	42,107	663	—	—	2
1938	34,050	34,009	40	—	—	1
1939	3,143	3,016	128	—	—	0

Cotton Piece-goods (white or dyed):

	Total	Japan	China	U.K.		Others
1934	27,511	25,313	66	105	—	57
1935	25,251	24,874	31	73	—	26
1936	40,769	40,243	91	55	—	8
1937	44,435	44,066	41	81	—	39
1938	30,692	30,662	24	—	—	6
1939	3,357	3,280	69	—	—	7

Cotton Piece-goods (printed):

	Total	Japan	China	U.S.S.R.	U.K.	Others
1934	10,948	10,700	66	170	9	2
1935	7,483	7,448	31	—	4	1
1936	11,789	11,696	91	—	—	2
1937	13,934	13,891	41	—	—	3
1938	11,061	11,059	1	—	—	1
1939	1,727	1,723	—	—	—	—

Woolen Piece-goods:

	Total	Japan	U.K.	Germany	Poland	U.S.A.
1934	9,551	7,762	988	165	530	32
1935	11,343	9,317	831	233	696	129
1936	15,801	14,403	761	126	544	15
1937	18,998	16,715	1,089	109	842	6
1938	22,811	21,712	306	—	515	—
1939	36,232	35,891	26	—	121	—

Rayon Piece-goods:

	Total	Japan	China	Italy		Others
1934	10,824	10,723	16	36	—	48
1935	8,051	6,993	24	1,014	—	20

(Import: M¥1,000)

Rayon Piece-goods:

	Total	Japan	China	Italy		Others
1936	15,801	14,403	0	1,397	—	—
1937	2,130	1,514	0	616	—	—
1938	56,816	56,808	6	—	—	2
1939	107,612	107,431	181	—	—	0

Silk Piece-goods:

	Total	Japan	China	U.K.	France	Germany
1934	11,111	9,660	1,402	21	6	5
1935	19,709	19,302	371	11	7	12
1936	35,683	35,309	299	23	15	25
1937	30,646	30,215	329	19	12	13
1938	4,523	4,387	88	—	—	—
1939	17,588	16,648	889	—	—	—

Gunny Bags:

	Total	Japan	China	Hongkong	Brit. India	Others
1934	16,134	5,314	518	725	9,566	11
1935	14,641	3,753	110	241	10,537	0
1936	14,025	4,256	191	120	9,456	—
1937	19,274	3,742	163	55	15,314	—
1938	20,838	2,441	227	—	18,125	46
1939	33,313	18,493	294	—	14,508	18

Footwear:

	Total	Japan	China			Others
1934	5,530	5,499	12	—	—	19
1935	8,438	8,414	7	—	—	17
1936	8,607	8,581	14	—	—	12
1937	11,677	11,624	26	—	—	27
1938	9,710	9,703	5	—	—	2
1939	6,468	6,437	31	—	—	0

Paper:

	Total	Japan	China	Germany	Sweden	Others
1934	12,139	952	2,075	148	176	100
1935	12,959	10,971	1,220	270	188	77
1936	16,793	14,171	1,788	135	87	238
1937	24,865	21,416	1,629	84	375	179
1938	35,842	22,570	1,476	—	301	273
1939	49,589	47,906	1,117	—	20	544

Cement:

	Total	Japan	China	U.S.S.R.		Others
1934	7,901	7,803	97	0	—	0
1935	3,543	3,540	3	—	—	0
1936	3,437	3,434	3	—	—	0
1937	1,068	1,055	4	—	—	8
1938	4,230	4,165	62	—	—	3
1939	11,764	11,625	84	—	—	54

Gasoline, Naphta & Benzine, mineral:

	Total	Japan	Roumania	D.E.I.	Brit. Borneo	U.S.A.
1934	9,865	378	—	1,593	691	6,728
1935	5,375	765	—	1,680	5	2,909
1936	1,970	422	—	434	—	914
1937	7,145	1,082	2,272	760	—	2,923
1938	(not released)		—	—	—	—

(Import: M¥1,000)

Kerosene Oil:

	Total	Japan	D.E.I.	Brit. Borneo	U.S.A.	Others
1934	11,621	595	3,798	63	5,881	20
1935	2,228	328	234	1	1,626	—
1936	1,740	1,625	21	—	95	—
1937	6,707	2,252	95	19	3,520	804
1938	(not released)		—	—	—	—

Copper:

	Total	Japan	China	U.S.A.		Others
1934	4,440	4,185	22	178	—	55
1935	4,463	4,275	0	167	—	22
1936	2,661	2,538	50	69	—	4
1937	6,177	5,281	70	824	—	2
1938	9,240	6,303	653	2,228	—	56
1939	9,904	6,159	212	3,508	—	26

Iron & Steel:

	Total	Japan	U.K.	Germany	Belgium	U.S.A.
1934	52,227	48,218	1,045	5,609	494	2,078
1935	51,540	42,545	1,078	5,203	1,237	1,243
1936	39,506	35,801	154	1,558	586	1,001
1937	76,429	55,859	961	2,153	3,329	9,589
1938	122,076	70,465	—	4,889	3,741	34,894
1939	104,525	82,460	—	7,055	830	12,179

All kinds of Machineries:

	Total	Japan	China	U.K.	Germany	U.S.A.
1934	70,640	59,835	812	1,951	2,368	4,425
1935	89,738	78,126	852	2,363	3,261	4,319
1936	110,280	95,152	603	2,345	4,874	4,519
1937	158,925	135,785	720	3,666	4,454	11,528
1938	68,838	59,895	174	2,871	499	68
1939	102,606	86,712	472	2,493	1,699	25

Of which 1939:	Total	Japan	China	U.K.	Germany	U.S.A.
Meters, gauges, etc. ..	7,693	7,290	6	—	271	—
Batteries	4,638	4,597	12	—	—	25
Optical, Medical and other Scientific Machineries	8,311	5,621	141	—	—	—
Boilers, etc.	11,597	7,293	25	2,493	1,428	—

(Continued)

(Imports: M¥1,000)	Total	Japan	China	U.K.	Germany	U.S.A.
Magnetos, motors, and other electric machineries	17,270	13,017	10	—	—	—
Transformers and converters	6,969	6,881	5	—	—	—
Electric communication instruments	10,092	9,849	1	—	—	—
Bicycles and parts ..	8,339	8,185	148	—	5	0
Pumps (including ventilating machines and gas compressors) ..	14,345	12,284	3	—	—	—
Chain, Hoists, Cranes, etc.	10,114	8,881	0	—	—	—
Total incl. others ..	102,606	86,712	472	2,493	1,699	25

Metalwares:	Total	Japan	China	Germany		Others
1938	47,451	46,093	25	355	—	532
1939	80,973	77,879	325	786	—	1,983

Of which 1939:	Total	Japan	China	Germany		Others
Nails, etc.	12,804	12,428	286	—	—	108
Cables	8,479	7,890	1	498	—	90
Insulating Wire	26,728	26,681	33	—	—	—
Construction Materials for Bridges, Railways and Buildings	12,859	11,324	5	—	—	1,530
Door Checks, Locks, Hinges and Fittings	6,341	6,273	9	—	—	60
Tools and Implements	13,762	13,283	9	288	—	182
Total	80,973	77,879	325	786	—	1,983

Toys & Games:	Total	Japan	China	Germany	U.S.A.	Others
1934	909	750	112	12	3	32
1935	1,130	971	91	30	14	24
1936	1,137	1,019	84	12	11	11
1937	1,343	1,165	65	25	73	25
1938	1,490	1,458	25	—	—	7
1939	1,904	1,892	11	—	—	0

CHAPTER XI

PEACE PRESERVATION

Military System

The military system in Manchoukuo was based on voluntary service. However, in view of the insecurity of the international situation where a need for real power is keenly felt in a rising state like Manchoukuo, the conscription system was enforced from 1941 in order to improve the standard of the Manchou soldiers and to train them to become the backbone of the nation. For this purpose the National Army Law was promulgated on April 11, 1940 and enforced from April 15 by an Imperial ordinance. According to the provisions of this new law, all made subjects upon attaining the age of 19 years are required to undergo physical examinations for conscription.

The period of service is three years during which emphasis is to be laid upon moral training as well as upon mastery of fighting technique in order to fit the soldiers for the task of national defence.

The Condition of the National Army and its Fighting Power

Supreme command over the Manchoukuo Army is vested in His Majesty the Emperor. Under the terms of the Japan-Manchoukuo Protocol of Stepmber 15, 1932 the defence of Manchoukuo territory is entrusted jointly to the National Army of Manchoukuo and the Imperial Japanese Forces. This relationship of mutual defence between the armed forces of the two allied Empires has subsequently been strengthened by a supplementary agreement.

The National Army of Manchoukuo, differing from the armies of other Powers, consists of the army proper comprising the infantry, cavalry, artillery, engineer and the transport corps, the air force, the navy known as the river force, and of various auxiliary arms. The infantry and cavalry constitute the main strength of the fighting forces in both defence and attack.

The air force and the river force, together with two other types of corps, the anti-aircraft corps and the automobile corps are regarded in the Manchoukuo National Army as special units. The air force has its air defence headquarters in Hsinking, and air squadrons and anti-aircraft battery units under its direct command, in the principal cities of the country for the defence of these key centres from air raids. The air fleets as well as the anti-aircraft batteries meeting their first serious test in the series of border clashes in the Nomonhan area along the Manchou-Mongol frontier in 1939 came through with flying colours.

Fully aware of the important role assumed by the air force in modern warfare, the military authorities of Manchoukuo have been pushing forward plans for its reinforcement and expansion in a big way. Under the Army Aviation School Ordinance promulgated sometime ago, an aviation school is scheduled to be opened in the outskirts of Mukden about August, 1940. The staff of this new flying school has already been elected.

Table 1. MILITARY EDUCATIONAL ORGANS

(1940)

	Established		Location
Gendamerie Training Institute	July,	1936	Hsinging
Military Academy	April,	1939	Hsinking
Military Hsingan School	July,	1934	Wangyehmiao
Military Veterinary School	May,	1935	Harbin
Military Ordnance School	March,	1938	Hsinking
Military Aviation School	April,	1938	Mukden

Table 2. LOCATION OF ARMY HEADQUARTERS

The First Army Headquarters	Mukden
The Second „ „	Kirin
The Third „ „	Tsitsihar
The Fourth „ „	Harbin
The Fifth „ „	Jehol
The Sixth „ „	Mutankiang
The Seventh „ „	Chiamussu
The Eighth „ „	Tunghua
The Ninth „ „	Tungliang
The Tenth „ „	Hailar
The River Defense Headquarters	Harbin

River Force

Manchoukuo's navy originally consisted of a river defence fleet engaged in the patrol of inland waterways and border rivers. It cooperated closely with the Provisional Defence Force of the Japanese Navy operating in Manchoukuo. But with the withdrawal of this Japanese force from Manchoukuo in December 1938, the river defence fleet of Manchoukuo was renamed the River Force in February of the following year, and incorporated within the National Army. The headquarters of the river force is located in Harbin.

The main duty of the river force is to patrol the border rivers of the country, besides maintaining peace and order in the basins of the principal rivers. Its other tasks include the convoying of transport ships, the protection of forestry and fishing enterprises, conducting investigations and collecting data and information concerning military strategy. When the rivers freeze during the winter season, the various warships belonging to the river force are tied up for the winter at Harbin and other places. The crew of these vessels busy themselves by engaging in patrol duty in the vicinity of these places, while also going through various forms of training, examining and repairing their arms and other equipment, and in general keeping their ships in good condition.

Automobile Corps

The automobile corps today consists of several independent units, each with a considerable number of cars. Since its organization the corps has distinguished itself by transporting troops, provisions and ammunition in anti-bandit campaigns in the Tungpientao and Sankiang districts, in the recent border fighting in the Nomonhan region, and in hostilities in North China and Inner Mongolia.

Mongol Forces

An important element within the Manchoukuo Army is the Mongol forces, which are stationed in the four Hsingan provinces for maintaining peace and order in these Mongol districts.

Bandit Suppression

The betterment in national defense, as compared with the condition obtaining in the former regime, is reflected in the strides taken in the suppression of bandit activity. At the time of the founding of Manchoukuo in 1932 the total number of bandits exceeded 300,000. Since then the number of bandits has steadily decreased and in 1939 it was estimated that only 3,200 were at large.

Table 3. RESULTS OF BANDIT SUPPRESSION (1940)

(A) By National Army

No. of Engagement	302
Bandits Involved	21,714
Enemy's Loss:	
Killed	1,416
Wounded	368
Captured or Surrendered	148
Enemy's Arms Seized:	
Pistols	123
Rifle Bullets	15,781
Pistol Bullets	1,021
Rifles	1,316
Light Machine Gun	1
Automatic Rifle	1
Cannon	1
Trench Mortar	1
Hand Grenade	427
Horses	156
Wireless Apparatus	5
Shelters demolished	190
Army's Loss:	
Officers killed	6
Soldiers killed	46
Officers wounded	7
Soldiers wounded	156

(B) By Police Organ

Bandit Chiefs killed	27
,, ,, captured	4
,, ,, surrendered	2
Bandits captured	457
,, surrounded	980
Light Machineguns captured	29
Rifles captured	2,700
Pistols captured	218

Department of Public Peace

In order to facilitate co-defence with the Japanese Army, the Manchoukuo Army has adopted the same basis for its tactics as the former. But the supreme organ of military administration and military command, which controls the Manchoukuo Army, is the Department of Public Peace headed by General Yu Shen-chang, a soldier well known as an outstanding strategist and an able military administrator. As Minister of Public Peace, General Yu is responsible for the replenishment and expansion of the National Army, its education and training. He controls both the military administration and the military command.

For the maintenance of peace and order the entire country is divided into ten military districts, each headed by a commander with fighting experience at both home and abroad. Each commander has command over the various forces within his jurisdiction. It is his duty to see to it that nothing is neglected so that in the event of war, he may take to the field with his men and fully discharge the duty imposed upon him.

In addition to the armies in the military districts, the Minister of Public Peace has under his direct command, various powerful army corps, namely, the mechanized army corps, the army air corps, the river fighting corps, the special service corps and the gendarmerie—army corps which he constantly strives to improve.

Treatment of Officers and Men

Since the organization of the National Army the question of payment, food and clothing has been considered with the greatest care. The first important step towards the improvement of the treatment of officers and men was taken in June 1939 when the Army Pay Ordinance was promulgated, under which marked changes for the better were introduced in the various allowances for the officers and men of the National Army. The pay for both officers and men was increased, new allowances were introduced, the system of furnishing fixed amounts of provisions and fodder was inaugurated, and the allotments of clothing and other articles were raised.

Furthermore, in case of necessity, officers and men may live outside of their barracks. In such cases they are entitled to an increase in pay by 15 yuan. There is also a system of allowances paid according to the localities where the officers and men serve, and special alowances for those in the air force or other technical arms of the service. Special allowances are paid also during anti-bandit operations and in time of war.

In the past a monthly food allowance of 6.50 yuan was paid. This system of paying in cash, however, was later abandoned in favour of a system of providing each officer and man with a fixed amount of food, in view of the possibility that the fixed monthly allowance may not be sufficient for buying the required amount of food should the rise of commodity prices continue. In quality the food allotted to the National Army in no way differs from the staple diet of the middle class.

The barracks and other buildings used by the National Army, with the exception of a very small part, are gradually being rebuilt, and in the near future their reconstruction into imposing structures will be completed.

Table 4. TERM OF POSTS

Ranks	Period
(A) Officers	
Lieut.-General	3 years
Major-General	3 „
Colonel	3 „
Lieut.-Colonel	2 „
Major	2 „
Captain	3 „
Lieutenant	2 years
Sub-Lieutenant	1 „
(B) Non-commissioned Officers	
Sergeant-major	3 years
Sergeant	2 „
Corporal	1 „

Outline of the Manchoukuo Police Force

The hasty restoration of public peace and order was not the only task imposed upon the Manchoukuo police force. The guardians of law and order, in view of the complex racial make-up of the new State, were also entrusted from the outset with the heavy responsibility of serving as a model of racial harmony and a personification of the spirit underlying the foundation of the new State.

Immediately following its establishment, the Government of Manchoukuo embarked upon the reorganization of the corrupt and inefficient police system, which it had taken over from the warlord regime of the Changs. One of the first acts of the new Government was to place the entire police organization of the country, with the exception of the police force of the Hsingan Province, under the unified control of the Department of Civil Affairs. In the Special Municipalities of Hsinking and Harbin, special police boards were organized and placed under the direct jurisdiction of the same Department. Along with the reorganization of the local administrative system in 1934, and the abolition of the North Manchuria Special District the following year, and other revisions in the central and local systems of government, numerous reforms were also instituted in the police system of the country. But the principle of unified command over the central, provincial, and hsien (prefectural) police forces remained intact.

In practically every reform undertaken by Manchoukuo, the new State has been fortunate in having the unstinted assistance and cooperation of its ally, Japan. In 1937 Japan again came forward to pave the way for the further progress of Manchoukuo by voluntarily cancelling its extraterritorial rights in the new State, and transferring the administrative powers it had enjoyed in the railway zone to the Manchoukuo Government. This important move by Japan, indicating its faith in the new State, contributed enormously to the general development of Manchoukuo as a law-governed, independent State. The withdrawal of the Japanese police forces throughout the country, which the abolition of extraterritoriality involved, furthermore resulted in an epochal expansion of the national police force, doubling its strength and contributing to a marked elevation of its standard.

In the early stages of Manchoukuo, extra police precautions had to be taken for maintaining public peace. For this reason border police forces were stationed at such frontier outposts as Manchouli, Heiho and Suifengho (Pogranichnaya). Special mobile police squads were also organized in Hsinking and Harbin, and a water police force, in Yinkow. With the improvement and expansion of the regular local police forces and the stabilization of conditions throughout the country, these special police units were finally abolished in 1935.

Table 5. NUMBER OF POLICE STATIONS AND OFFICERS
(Sept., 1937)

			Officers		
Hsien:	Police Station	Branch Office	Japanese	Manchoukuoan	Total
Kirin	111	341	480	12,196	12,676
Lungkiang	132	342	241	7,275	7,516
Heio	17	45	165	708	873
Sankiang	80	93	285	6,091	6,376
Pinkiang	122	375	385	12,505	12,890
Chientao	33	176	232	2,622	2,854
Antung	49	154	139	4,298	4,437
Fengtien	193	1,135	564	17,180	17,744
Chinchow	94	341	277	6,475	6,752
Jehol	114	291	381	5,357	5,738
Mutankiang	41	45	299	7,286	7,585
Tunghua	57	160	283	5,409	5,692
Hsingan, East	5	—	30	197	227
„ West	24	—	37	1,305	1,342
„ South	36	—	56	1,845	1,901
„ North	14	—	62	241	303
Total	1,122	3,493	3,916	90,990	94,906

Water Police Bureaus

Fengtien Province	Yalu & Han Rivers Water Police Bureau Liaoho Water Police Bureau
Kirin Province	Sungari Upper Water Police Bureau Sungari Lower Water Police Bureau

Central Police Organs

The supreme organ for control of all affairs relating to national defence, strategy and the survey of land and waterways, is the Department of Public Peace which was created by the general reform of the central administrative structure on July 1, 1937. The former Bureau of Police Affairs of the Department of Civil Affairs was transferred to this new department. The reform was of much importance, for it resulted in unified control of the National Army and the national police force.

The structure of the Bureau of Police Affairs itself was, moreover, rationalized. The past judicial Section was divided into the Patrol and Criminal Sections, and a new Censorship and a Training Supervision Sections were established. These reforms constituting the second police force since the foundation of Manchoukuo, served to raise the standard of the police force and place its functions on a rational basis.

The Bureau of Police Affairs now comprises five sections, Police Affairs, Special Service, Peace Preservation, Criminal and Training, respectively, and the Minitary Reward Office.

Local Police Organs

The Metropolitan Police Board in Hsinking functions under the direct control of the Prime Minister. Entrusted as it is with the preservation of public peace in the political, social and economic nerve centre of the country, it has an extremely important duty to fulfill. It was reorganized and strengthened as part of the general administrative reorganization of July 1937. Each province has its own police board, and each hsien, a police bureau and a number of police stations.

As special police forces there are the forest police force and the marine police force. The former was organized in 1935 to clear the mountainous and dense forest areas of Manchoukuo of brigands and of such lawless elements, whose activities had proved a serious obstacle to the development of the lumbering industry. The forest police force has played an important role in the exploitation of the rich forest resources of the new Empire.

The coastal police force was renamed the marine police force in 1937. It patrols the seas in search of smugglers, besides maintaining a constant vigil against the unlawful entry of aliens into the country, and against poaching by fishermen.

Finger-print Supervision Bureaux

For taking charge of the finger-prints handled by the Police Affairs Bureaux, special Finger-print Supervision Bureaux were created in 1939. These consist of the Finger-print Supervision Bureaux of the Central Government under the jurisdiction of the Minister of Public Peace, and a similar bureau in the police board of each provincial government, and in the Metropolitan Police Board. The combined staff of these finger-print bureaux today exceeds 500.

These bureaux were originally entrusted with custody of the original copies of finger-prints of criminals, and of laborers for use on their registration cards. The work of these bureaux was later increased, when the supervision of finger-prints for the registration of people with technical talent was also handed over to them under the National Mobilization Law. In all about a million copies of finger-prints are now kept by the different finger-print supervision bureaux.

In a country such as Manchoukuo, composed of divers races, finger-prints serve as a highly important means for the identification of individuals. Their use was at first limited to the identification of criminals and to the finding out of personal history of similar types of people. Today finger-prints are widely used in Manchoukuo also for the prevention of the unwarranted transfer of laborers from one occupation or one locality to another, in line with the Government's labour control policy. Another recent use to which finger-prints are put is the establishment of the identity of people with technical talent, whose registration with the authorities has become compulsory under the National Mobilization Law. In both respects finger-prints have proved of great value.

The impression of one finger has in the past been used with good results on residential certificates. From 1940 the Government has decided to use it also on census registers. The racial diversity of Manchoukuo is gradually expanding the uses of fingerprints, and increasing their importance to the authorities as well as the public.

Although only eight years have elapsed since the organization of the Manchoukuo police force, it has been improved and expanded to such an extent through constant effort that it today offers no comparison to the police force of the early days of the new State. The authorities have in particular paid unfailing attention to the advancement of the standard of the police officers. Most of the duties of the police officer, such as patrolling the streets, making investigations, questioning or admonishing people have for their object the maintenance of public peace and order. But the most important thing for preserving order in society is to foster among the public a will to do what is just, and to avoid the ways of evil. The vital task, however, can be fulfilled by the police only when they are properly trained and educated. The Bureau of Police Affairs of the Central Government has consequently mapped out a comprehensive plan for training the guardians of the law. This plan has been in effect since the beginning of 1938.

Under this plan a Training Supervision Section has been established within the Police Affairs Bureau of the Central Government, while the central and local police training schools have been greatly expanded. Various special lectures are given from time to time, and increasing attention is being paid to the reeducation and training of officers of the law. The compilation of new text books, and the publication and distribution of magazines and other reading matter of informative and instructive nature among the police forces throughout the country are also being undertaken as part of the program for raising the standard of the police.

The police officers of Manchoukuo are being trained to discharge their duties with the conviction that they are acting as builders of a model state and as leaders of a new progressive nation. Today the 100,000 officers of the law who comprise the Manchoukuo police force are engaged in their tasks conscious of their heavy responsibilities.

In order to enable them to devote themselves to their duties without financial anxiety, improvement has been made in their regular pay as well as in various allowances. Special allowances of ample nature are paid to those on duty in remote places or engaged in dangerous tasks. And in the case of injury or death resulting from the pursuit of one's duty, a relief fund is paid to the injured or to the familyof the deceased officer. Should the condition of the injured officer, even after recovery, be such that he is no longer suited for the role of police officer, he will be transferred to a suitable occupation through the good offices of the authorities.

Auxiliary Organ of the Police Force

As an auxiliary organ of the police force Manchoukuo has a unique, self-protective institution known as the “paochia”. The hsien, cities, towns and villages throughout the country are divided into three units, each with a fixed number of households, known as “pao”, “chia” and “pi”. These organizations created for the purpose of mutual defence, thrive on the principle of good neighbourliness and mutual cooperation. With their respective units these organizations maintain peace and order, and assist the police in times of unexpected danger. In the transitional stages of local self-government they have also served to supplement its deficiencies, besides being usefully employed by various State establishments.

The “paochia” system was inaugurated in January 1934 under an Imperial Ordinance promulgated in December 1933. Functioning in all provinces with the exception of the four Mongol provinces of Hsingan, the “paochia” system operates in the following manner: ten or less than 10 households are organized into a “pi”, and such “pi” within a village or a district corresponding thereto are incorporated into a “chia”, and “chia” within the jurisdiction of a police station comprise a “pao”.

Later because of the need of adjusting the relationship between these “paochia” organizations and the local administrations, the areas of the “pao” and the “chia” were reduced. Each village or a district corresponding to it was organized into a “pao”, and a “tun” (hamlet), into a “chia”. The unit of each “pi”, however, remained unchanged. Each “pao” is headed by a “paochang”, assisted by a “fu-pao-chang” (vice-chief), each “chia” by a “chia-chan”, all of whom are in charge of affairs in their respective districts.

In conformity with the principle of racial harmony and co-operation, which forms one of the basic tenets of Manchoukuo statescraft, membership in the "paochia" organizations is not limited to Manchous alone, but is open to Japanese as well as Koreans. In fact their voluntary participation is being encouraged.

Not only do the members of each "pi" strive for friendship among themselves, but take every possible step to prevent any vagabonds or other undesirable elements from appearing from among their group. They also cooperate closely with the authorities in the preservation of peace, transmitting orders and instructions from government offices, supplying information concerning the activities and whereabouts of bandits, reporting any crimes promptly to the police, or organizing self-protective squads when occasion demands.

The "pi", in other words, comprises the cellular unit of the social structure, constantly working by various means for neighbourly friendship and mutual assistance, and discharging duties entailing the collective responsibility of its members. Should any "pi" be unfortunate enough to have any member commit a crime, it is considered as a serious reflection upon the reputation of the entire members of that "pi". On the other hand should any member commit a deed meriting commendation, the heads of all the householdls in the same "pi" also receive commendation. There is consequently a strong feeling of joint responsibility and of mutual welfare among the members of this unit.

THE NEW NATIONAL ARMY LAW

The National Army Law providing for a three-year military service for male subjects of the New State was promulgated on April 11, 1940 together with an Imperial Edict, after the completion of all formalities pertaining there to, including the passage of the Law by the Privy Council on April 9. The Ordinance for enforcement of the National Army Law, as from April 15, was simultaneously proclaimed.

With the enforcement of this new law various preparations will be launched for establishment of military service. Enactment of a Provisional National Registration Law, which will serve as the basis for enforcement of the new national army system, will be immediately undertaken. At the same time steps will be taken to designate conscription supervisory districts (as provided for in Chapter 3 of the Ordinance for Enforcement of the National Army Law) as well as recruiting districts, which will be decided upon by the Minister of Public Peace. Legislation in this connection will be drafted and promulgated shortly.

Under the new system the provincial governors and the mayor of the Hsinking Special Municipality will act as conscription officers and will be supervised by the commanders of army districts, while the Army and the nation will cooperate in the execution of affairs pertaining to military service.

Examination for conscription will be supervised by the president of the Board of Councillors. Conscription offices will be established upon consultation between the army district commanders and provincial governors or the Mayor of the Hsinking Special Municipality. The Bureau of Information and Publicity of the General Affairs Board and the National Guidance Bureau of the Concordia Association will indirectly assist the Government in all conscription affairs.

In concert with the enforcement of the national army system, the Government will take a provisional national census in October, the first to be ever undertaken in Manchoukuo. In this connection authorities of the Department of Justice are at present drafting a National Registration Law, which will serve as the basis for the enforcement of the National Army Law. Enforcement of this new measure is expected in the near future.

The National Army Law is made up of six chapters divided into 48 articles. Chapter 1 (Articles 1 to 3 inclusive deals with general provisions, Chapter 2 (Article 4 to 11) with military service, Chapter 3 (Articles 12 to 34) with enlistment, Chapter 4 (Articles 35 to 42) with miscellaneous provisions, Chapter 5 (Article 43) with privileges, and Chapter 6 (Articles 44 to 48) with penal regulations.

Article 1 stipulates that "Male subjects of Manchoukuo shall be liable for military service as determined by law." By Manchoukuo subjects are meant those who are domiciled in Manchoukuo, that is, those who make their living in Manchoukuo.

The period of military service, the date of enlistment, military age, organization for enlistment, privileges of temporary exemption from enlistment and military service are specified in Chapters 2 and 3 on Military Service and Enlistment. It is worthy of notice that Chapter 5 contains a clause providing for special favours to national soldiers and their families.

It is to be noted that new Manchoukuo National Army Law does not provide for the establishment of a reserve force or a second reserve force. This and other differences as compared with the army laws of Japan and other foreign countries have been embodied in the new National Army Law in consideration of the special characteristics of Manchoukuo after due deliberations on the part of the Government authorities.

Active Service System. The National Army Law provides only for an active service system of three years duration and does not take into consideration a reserve force or a second reserve force. Thus after a Manchoukuo soldier is released from his term of three years of military training, he has no obligations as a member of any reserve force of such.

From the point of view of an ideal military service system, it is, of course, necessary to establish a reserve, and a second reserve. But in view of the low standard of living conditions of the people, the Government has simply established an active service system with the aim of lightening the responsibilities of the populace.

Physique, Education and Family Background Basis of Selection of Soldiers. Soldiers to be recruited will be selected on the basis of physique, education and family background, though in the physical examination of candidates, physical fitness will of course form the basic condition. In this connection, the Manchoukuo National Army Law differs considerably from the purport of the Japanese laws governing the examination of conscripts.

The Manchoukuo National Army Law which seeks to create above all a picked army does not simply emphasize physical fitness but also takes into consideration the education and the family background of the candidates in the selection of men. In other words quality is stressed more than quantity.

Privileged Treatment of Soldiers. Special treatment and aid to members and former members of the national army and their families are stipulated in the National Army Law. This fact compared with the practice of leaving the work for the relief and welfare of soldiers and their families simply to spiritual movements among the people, as in other countries, clearly reveals the special consideration granted to the members of the National Army by the Manchoukuo Government.

Emphasis on Creating Good Citizens and Good Soldiers. The number of men to be enlisted under the National Army system, unlike the practice in the days of voluntary enlistment, will be restricted to 10 per cent of those undergoing physical examinations.

This measure is based on the fundamental concept of the army as being a national school for the training of the people.

Military training will be directed at creating not only a picked force, but at the same time of training a group of men who will act as the nucleus, of the nation, once the soldiers are discharged from service. In this way, the Manchoukuo Army possesses the particular characteristic of being a training school for the people of Manchoukuo.

Ordinance for the Enforcement of the New National Army Law

Following are the main articles of the Ordinance for Enforcement of the National Army Law:

Chapter I. Enlistment of Those Volunteering for Service

Article 2. Those who enlist in the Army as cadets in order to become officers shall be treated in the same way as the soldiers in the service at present.

Article 5. Those who are over 17 years of age but under military age may volunteer for service for three years. The qualifications of those volunteering for service shall be the same as those conscripted.

Article 6. In accordance with the provisions of the preceding article, the directors of the Military Affairs Bureaux of the Army Districts shall decide whether those volunteering for service shall be taken or not.

Article 8. The period of service of military bandsmen shall be four years and shall be computed from April 1 of the year in which they enlisted.

Article 9. Those completing their term of service may upon application extend their period of enlistment until they are 30 years of age.

Chapter 2. Military Service

Article 13. National soldiers shall be registered in the detachments to which they belong.

Article 14. Those enlisting in the National Army will not receive upon enlistment, any special official document, and shall become, from the day of enlistment, second-class privates. Their promotion after enlistment in the Army shall be decided upon by the Minister of Public Peace.

Article 16. The period of service may be shortened by the Minister of Public Peace only in cases which he deems as not causing any interference from a military standpoint.

Chapter 3. Enlistment

Article 21. Conscription supervisory districts shall be the same as army districts. Conscription districts shall be decided upon by the Minister of Public Peace.

Article 32. The Minister of Public Peace shall apportion the number of national soldiers to be enlisted each year in each conscription supervisory district.

In accordance with the above provision, the commander of army district shall allot the number of national soldiers to be enlisted in each conscription district within his jurisdiction.

Article 40. Physical examinations shall be held in the physical examination office established within the conscription office in each conscription district.

Article 41. In accordance with the provisions of Article 25 of the National Army Law, exemptions from military service shall be made in the following cases of sickness or physical and mental deformities:

1. Deformity of the entire body.
2. Cases of mental sickness requiring supervision or protection.
3. Leprosy.

4. Poor eyesight.
5. Total deafness.
6. Dumbness.
7. Dislocation of arms or legs and loss of one arm or leg.

Article 48. Those living outside the conscription districts where they are domiciled may upon application undergo physical examination in other districts.

Article 55. Those whose conscription as national soldiers has been decided upon, shall enter the Army by decision of the Minister of Public Peace.

Supplementary Regulations

The present Ordinance shall be enforced from April 15, 1940.

Imperial Edict On New Army Law

The full text of the Edict follows:

"The solidity of the foundation of a country always depends upon harmony of the people, and the rising fortunes of the State upon the well-tempered strength of the national army. For this reason, soldiers were picked from noble tillers of the soil in olden days. The people of the land as a whole were called upon to form the backbone of defence of the country and made responsible for repulsing alien invasion, while every person living on the yield of the earth was taught to honor the profession of farming. All their thoughts were centred upon the welfare and security of the State, while they never lost sight of their public duty. Hence their perfect defence in time of peace, and absolute security at every call of emergency. We have ample illustrations of this good law and beautiful spirit.

'Our land has early been knit in one moral kinship with the Empire of Japan, and this tie has been strengthened by the pledge of common defence. The system of the National Army admits of no variation in its fundamental principle; far less considering the present situation in East Asia and the unprecedented work of creation now starting in this part of the world, which depends entirely on the united strength of the two nations of Manchoukuo and Japan. Meditating deep upon this point, we have hereby caused the enactment of the National Army Law on the basis of the Organization Law, Article 30, and have caused its promulgation by the competent officials after due reference to the Privy Council.

"All our subjects are desired to appreciate faithfully the real meaning of the present Law, wisely judge the development of the times and enhance their patriotic spirit: We urge you to devote yourselves to public service, strengthen the imperishable basis of the State, enhance the national prestige as the cynosure of all nations and thus carry out the true object of the foundation of our Empire."

The Imperial Signature and Seal.
The Eleventh of April in the Seventh Year of Kangte.
Countersigned by
The Prime Minister.
The Minister of Public Peace.
The Minister of People's Welfare.

NATIONAL MOBILIZATION LAW

The Manchoukuo Government formally promulgated the National Mobilization Law aimed at placing the Empire on a wartime footing on February 26. 1938. An unofficial translation of the law proper, namely, Articles 1 to 29 inclusive, is given below:

Article 1. The present law is aimed to control and utilize man-power and material resources in wartime or in an emergency so as to display most effectively the entire power of the country in national defence.

Article 2. By national mobilization commodities and resources as mentioned in the present law are meant the following:

(1) Arms, fighting vessels, aircraft, ammunition and other similar military resources.
(2) Clothing, foodstuffs and animal meat necessary for national mobilization.
(3) Medicines, medical instruments, other sanitary commodities and veterinary articles.
(4) Ships, rolling-stock, horses and other means of conveyance necessary for national mobilization.
(5) Facilities for communication purposes necessary for national mobilization.
(6) Civil engineering building and lighting materials necessary for national mobilization.
(7) Fuel and electricity necessary for national mobilization.
(8) Machines, implements, equipment, raw materials and materials for the production, repairing, preservation and operation of the objects specified in the foregoing items.

(9) Gold or silver bullion or alloys and articles made principally of gold or silver.
(10) Commodities and materials to be specified by Imperial Ordinances other than those enumerated in all the foregoing items.

Article 3. Whenever necessary in wartime or in an emergency, the Government in accordance with Imperial ordinances may manage, use or expropriate the whole or part of the objects specified in the following items:

(1) Factories and enterprises producing and repairing the commodities and resources necessary for national mobilization and the auxiliary facilities thereof.
(2) Factories transmutable into such factories and auxiliary facilities thereof as referred to in the preceding item.
(3) Transport facilities, sea, land and air.
(4) Communication facilities.
(5) Medical and sanitary facilities.
(6) Water supply facilities.
(7) Experimental or research institutions.
(8) Lands, houses, godowns, others establishments and auxiliary facilities thereof necessary for the production, repairing and storing of national mobilization commodities and resources or for the the purposes enumerated in the foregoing items.

In case the Government uses or requisitions the objects specified in the preceding article, it may also utilize their employees simultaneously.

Article 4. In case the objects expropriated in accordance with the preceding article become unnecessary and are disposed of by the Government within five years of the expropriation thereof, their old owners or the successors thereto shall be given preference in the purchase of the said object.

Article 5. The provisions of the two preceding articles shall be applied to the utilization and expropriation of the objects designated in the following items:

(1) Rights of industrial ownership; (2) Mining rights and mining leases and (3) Rights relating to the use of water.

Article 6. The Government, when necessary in wartime or in an emergency for national mobilization may be empowered by Imperial Ordinance to issue necessary orders and other measures to persons managing the enterprises designated in Item 1 of Article 3 with regard to the discontinuance of part or whole of the said enterprises, the restriction or prohibition of the suspension thereof and the production and repairing of national mobilization commodities and resources.

Article 7. The Government, whenever necessary in wartime or in an emergency for national mobilization may be empowered by Imperial Ordinance to issue necessary orders and measures to persons managing the enterprises designated in Item I of Article 3 with regard to the establishment of new production facilities and expansion or improvement of such facilities.

Article 8. The Government, whenever necessary in wartime or in emergency for national mobilization may be empowered by Imperial Ordinance to utilize or expropriate national mobilization commodities and resources.

Article 9. The Government, whenever necessary in wartime or in emergency for National Mobilization may be empowered by Imperial Ordinance to cause persons engaging in the production, sale, import and supply of national mobilization commodities and resources to keep in stock fixed quantities of the said commodities or of raw materials therefor.

Article 10. The Government, whenever necessary in wartime or in an emergency for national mobilization, may be empowered by Imperial Ordinance to issue orders to persons operating important enterprises for the establishment or revision of control agreements among themselves or order said persons to abide by such control agreements.

Article 11. The Government, whenever necessary in wartime or in an emergency for national mobilization, may be empowered by Imperial Ordinance to order the establishment of associations or corporations in connection with important enterprises or the management thereof or to cause existing corporations, associations and other organizations to control such enterprises.

Associations to be established in accordance with the provision of the foregoing item shall be judicial persons.

Article 12. The Government, whenever necessary in wartime or in an emergency for national mobilization, may be empowered by Imperial Ordinance to restrict or prohibit construction jobs, enterprises or business.

Article 13. The Government, whenever necessary in wartime or in an emergency for national mobilization, may be empowered by Imperial Ordinance to issue necessary orders or take measures with regard to the utilization, consumption, transfer, possession, custody and removal of national mobilization commodities and resources.

This stipulation shall apply also to the utilization and transfer of lands.

Article 14. The Government, whenever necessary in wartime or in an emergency for national mobilization, may be empowered by Imperial Ordinance to issue necessary orders in regard to commodity prices, transport charges, storage insurance premiums, rentals, and other similar charges.

Article 15. The Government, whenever necessary in wartime or in an emergency for national mobilization, may be empowered by Imperial Ordinance to restrict or prohibit the acquisition or disposal of foreign currencies or of claims and debts indicated in terms of foreign currencies or the acquisition or disposal by foreign residents in the country of Japanese currency or of claims and debts indicated in terms thereof.

Article 16. The Government, whenever necessary in wartime or in an emergency for national mobilization, may be empowered by Imperial Ordinance to order the importation and exportation of commodities, restrict or prohibit imports and exports or exempt imported or exported goods from Customs duties regardless of the provisions of the laws pertaining to the Customs tariff.

Article 17. The Government, whenever necessary in wartime or in an emergency for national mobilization, may be empowered by Imperial Ordinance to decrease or discontinue any domestic taxes, and other public levies and dues or to postpone the payment thereof, regardless of the provisions of laws relevant thereto.

Article 18. The Government, whenever necessary in wartime or in an emergency for national mobilization, may be empowered by Imperial Ordinance to issue to banking corporations and other financial organizations necessary orders regarding the utilization of funds and money rates or restrict and prohibit the establishment of corporations, payments on unpaid shares, capital increases, the flotation of debentures the borrowing of funds, and the payment of corporation dividends.

Article 19. The Government, whenever necessary in wartime or in an emergency for national mobilization, may be empowered by Imperial Ordinance to issue necessary orders in regard to the possession of public bond or increase in corporation reserve funds and restrict and prohibit bank deposit withdrawals and transactions in negotiable securities.

Article 20. The Government, whenever necessary in wartime or in an emergency for national mobilization, may be empowered by Imperial Ordinance and regardless of other laws and regulations to order the flotation of corporation debentures and the expropriation and use of lands.

Article 21. The Government, whenever necessary in wartime or in an emergency for national mobilization, may be empowered by Imperial Ordinance to press into service the subjects of the Empire to engage in jobs to be specified by the Government.

Article 22. The Government, whenever necessary in wartime or in an emergency for national mobilization, may be empowered by Imperial Ordinance to issue necessary orders in regard to the use, employment and dismissal of labourers, their wages and other relevant terms of employment.

Article 23. The Government, whenever necessary in wartime or in the emergency for national mobilization, may be empowered by Imperial Ordinance to issue necessary orders to those persons managing or taking charge of schools, other similar institutions, workshops, etc., regarding the training of experts.

Article 24. The Government, whenever necessary in wartime or in an emergency for national mobilization, may be empowered by Imperial Ordinance to issue necessary orders to facilities and enterprises supplying labour.

Article 25. The Government may be empowered by Imperial Ordinance to issue necessary orders in regard to the registration of experts, labourers and others needed for national mobilization to the employers thereof.

Article 26. The Government may be empowered by Imperial Ordinance to order those persons who own enterprises producing or repairing national mobilization commodities or who are in charge of experimental or research organs to conduct experiments or investigations necessary for national mobilization.

Article 27. The Government may be empowered by Imperial Ordinance to cause those persons owning enterprises necessary for national mobilization to map out necessary plans to be enforced in wartime or in an emergency in regard to the said enterprises or to carry out necessary drills based upon the said plans.

Article 28. Losses resulting from the expropriation, use and supervision of objects effected in accordance with the provisions of the present law shall, in conformity with Imperial Ordinance, be compensated by either the Government of by the owners of the enterprises affected.

Article 29. Acts of requisition in accordance with the Military Requisition Law will not be obstructed by the expropriation, use and supervision of objects and other measures taken in conformity with the provisions of the present law.

Establishment of Pension Law

A special pension system for the Manchoukuo national army (conscripts) and the surviving families was established by the government in December 1940 in the form of the National Army Pension Law. It was enforced from January 1, 1941. The Law provides for the payment in a lump sum of pensions to soldiers who have become disabled as a result of injuries sustained or sickness contracted in the execution of their official duties and whose names have been struck out from the military register, and also to the surviving families of those who lost their lives in the performance of their duties.

CHAPTER XII

DIPLOMACY

The fundamental principle of diplomacy of Manchoukuo was laid down in the proclamation of independence issued on February 18, 1932, at Mukden. This principle which has consistently been followed since then was declared to be in substance as follows:

"The foreign policy of the new state shall be to promote cordial relations with foreign powers by winning their trust and respect through strict observance of international conventions. Financial obligations incurred within the territory of Manchuria by treaties or loan agreements with various countries prior to the establishment of the new state, shall be met according to the terms of those agreements. Investments by any foreign nation shall be welcomed for the furtherance of trade and development of natural resources."

In taking this attitude Manchoukuo offered assurances as to foreign vested interests within its border and the policy of trade and industry to be followed in the future. It is evident that these public assurances were primarily addressed to countries where a sense of uncertainty prevailed. Later developments show that the country has honored its word, although in trade and industry preferences have been shown, which is natural, to countries which have taken friendly attitudes and offered material cooperation through the early years of the infant empire. Besides, the large scale hostilities that broke out some five years later between Japan and China imposed on the trade and industry of Manchuria such conditions as were least foreseen at an earlier period. By the terms of agreements for intimate friendship and close collaboration with Japan, Manchoukuo has thrown open its material resources to Japanese development and placed its man-power at the disposal of Japanese enterprise. The keynote of Manchoukuo's foreign policy is first and last friendly cooperation with Japan. The relations that have been formed between Manchoukuo and other countries, especially with Germany and Italy, have been contributory to industrial development in the country.

Diplomatic Relations With Japan

Manchoukuo since its earliest days has stood in the closest diplomatic relations with Japan as two nations each independent but inseparably bound together by affinity of interests. The first step that brought them in close relationship was the de jure recognition that Japan extended to Manchoukuo as an independent sovereign state by signing on September 15, 1932, of the Japan-Manchoukuo Protocol providing for the cooperation of the two nations in the matter of national defense. Cordiality between the two countries was further deepened by the visit to Manchoukuo in June 1934 of H.I.H. Prince Chichibu, the younger brother of His Majesty the Emperor of Japan, and the courtesy returned by the visit to Japan of the Emperor of Manchoukuo in April of the following year. A further evidence of their close relationship was shown in 1940 when the Emperor of Manchoukuo visited Japan for the second time to offer felicitations on the 2,600th anniversary of the foundation of the latter's empire.

Japan's diplomacy in Manchoukuo through its early formative period was charged of being multilateral, but her machinery of diplomacy was unified through the new system inaugurated in December 1934. Under the new system Japan's diplomacy was placed in the exclusive hands of the commander of the Japanese garrison, popularly known as the Kwantung army. He is assisted by a councillor and other members of the diplomatic staff placed under his direction. The military commander as the highest accredited diplomatic representative of Japan in Manchoukuo is responsible only to the Prime Minister of the Tokyo Government. The Foreign Minister of the same Government has nominal power to supervise the work of the general-diplomat at Hsinking but in reality he only receives reports from the same official on the diplomatic situation. Under the new system the Kwantung Government was reduced to the status of a bureau and placed under the direction of the general-ambassador to Manchoukuo. The police force previously of the Kwantung Government was transferred under the commander of the Japanese gendarmes in Manchuria.

Abolition of Extraterritoriality. Manchoukuo in its fourth year was apprised of Japan's voluntary promise to relinquish the extraterritorial rights in Manchuria and restore to the Hsinking Government the administrative rights in the South Manchuria Railway zone which Japan had acquired by the Portsmouth Treaty concluding the Russo-Japanese war. An exterritoriality abolition committee was organized by Manchoukuo in 1934 to make preparations in cooperation with a similar committee organized by the Japanese Government.

The first treaty providing for partial abolition of the extraterritorial rights and for adjustment of the Japanese administrative rights in the railway zone came into effect in July 1936. Under the terms of this treaty the Japanese subjects in Manchoukuo passed under the administrative laws and ordinances of Manchoukuo regarding residence, taxation and industrial enterprise. This was closely followed by another treaty providing for the reciprocal protection of industrial property in Manchoukuo, this marking Manchoukuo's first step toward the international protection of industrial rights in its territory.

In November 1937 the third and most important treaty was signed at Hsinking providing for the abolition of Japan's extraterritorial rights and for the transference to Manchoukuo of the administrative rights in the South Manchuria Railway zone. This treaty in itself constituted a public recognition of the Government of Manchoukuo having attained full competence to administer its whole territory and to protect the life and property of foreign residents therein. The simultaneous abolition of the consular court system indicated Manchoukuo's capacity to administer justice.

It may be also noted that the railway zone was originally leased to Russia by China and later taken over by Japan by virtue of the Portsmouth Treaty. Legally or theoretically, Japan had no obligation to return or transfer the administrative rights in the railway zone. This international deal of historic moment was made, as the Japanese Foreign Minister, Mr. Koki Hirota, said at the time, "to give substance to our claim of being the stabilizing force of East Asia, on the basis of our special and inseparable relationship with Manchoukuo".

New Understanding Among Manchoukuo, Japan and China

The relations of Manchoukuo with Japan and China entered into a new phase of understanding and friendship with the signing of the historic Declaration among Japan, Manchoukuo and China on November 30, 1940, at Nanking. The Declaration which was signed by the representatives of the three Governments, namely, Mr. Tsang Shih-i, Manchoukuo Plenipotentiary and President of the Privy Council, Mr. Wang Ching-wei, President of the Kuomin Government, and General Nobuyuki Abe, Japanese Ambassador Plenipotentiary to China, reads as follows:

"The Governments of Manchoukuo, China and Japan, desirous of closely collaborating as good neighbors under the common ideal of mutually respecting the inherent characteristics of the three countries, and of establishing a New Order in East Asia based on moral principles, thereby forming an Axis for lasting peace in East Asia as well as contributing toward world peace with this Axis as the nucleus, proclaim the following:

1. Manchoukuo, China and Japan mutuallly respect each other's sovereignty and territorial integrity.
2. Manchoukuo, China and Japan shall devise all necessary measures for effecting general collaboration between the three countries on the basis of reciprocity, particularly the realization of neighborly amity, joint defence against Communism, and economic cooperation.
3. Manchoukuo, China and Japan shall conclude treaties without delay in accordance with the purport of this declaration.

Done at Nanking, this thirtieth day of the eleventh month of the seventh year of Kangte, corresponding to the thirtieth day of the eleventh month of the twenty-ninth year of the Republic of China, and to the thirtieth day of the eleventh month of the fifteenth year of Showa.

(Seal) (Signed) Tsang Shih-i
President, Manchoukuo Privy Council
(Seal) (Signed) Wang Ching-wei
President, the Republic of China
(Seal) (Signed) Nobuyuki Abe
Ambassador Extraordinary and Plenipotentiary of the Nippon Empire.

Manchoukuo and the Tripartite Pact

The Manchoukuo Government made an announcement on September 28, 1940 expressing its wholehearted approbation of the Japan-Reich-Italy Treaty of Alliance signed in Berlin on September 27, 1940. The announcement was made following an emergency session of the State Council held to decide upon Manchoukuo's attitude toward the three-power alliance. The statement reads:

"A new Japan-Reich-Italy treaty has now been concluded, and Manchoukuo's ally, Japan, leader in the establishment of a new order in Greater East Asia, will hereafter closely cooperate with her friendly nations, Germany and Italy, also leaders in the construction of a new European order, in order to realize their mutual ultimate desires for world peace. Manchoukuo, which is inseparably bound as one in her relations with Japan and which is proceeding in close cooperation with Nippon in the sacred task of establishing a Greater New East Asia order, cannot but be overjoyed at the conclusion of the three-power pact.

"Manchoukuo must further strengthen her ties with Japan and lend further cooperation for the completion of the sacred task. At the same time the Government and people of this country, in the face of the present grave emergency, must perform the mission entrusted to Manchoukuo by further enhancing the spirit underlying her foundation, pursuing their respective occupations with diligence, redoubling their efforts to develop industry and strengthen national defence and by overcoming all obstacles."

Anti-Comintern Pact. The Manchoukuo Government formally became a signatory of the Anti-Comintern Pact on February 24, 1939, complying to the joint invitation made by Japan, Germany and Italy. Commenting upon the entry into this agreement Premier Chang Ching-hui issued the following statement: "In hearty response to the joint invitation of the Japanese, Italian and German Governments, the original signatories to the Anti-Comintern Agreement, Manchoukuo has signed the protocol concerning its participation in the above pact. Anti-Communism has been the national policy of Manchoukuo since its foundation, and through the undivided assistance of its ally, Japan, the new State has been exerting every effort for the prevention of Communism and its efforts have been marked with great success. Manchoukuo's formal entry into the Anti-Comintern Agreement is a matter for the greatest rejoicing in that it signifies the strengthening of the anti-Communist front and the great ideal underlying the spirit of anti-Communism."

Recognition of Manchoukuo by the Powers

De jure recognition of Manchoukuo has been extended by 11 States, and the Holy See, the names of the countries and the date of recognition being as follows:

Japan	September 15, 1932
The Holy See	February 20, 1934
El Salvador	March 3, 1934
Italy	November 29, 1937
Spain	December 2, 1937
Germany	July 18, 1938
Hungary	January 9, 1939
Slovakia	June 2, 1939
China	November 30, 1940
Roumania	December 1, 1940
Bulgaria	May 14, 1941
Finland	July 19, 1941

Thailand was recognized by Manchoukuo on August 1, 1941 and on the following day recognition was extended to Croatia.

Border Disputes and Settlement

The far-flung border of Manchoukuo, except for small sections, come in close touch with Soviet territory. In not a few places the demarcation of border is left in highly dubious conditions. It is hardly surprising that disputes have not been infrequent at one point and another of Manchoukuo's border. Skirmishes took place when soldiers on either side of the line tried to cross it. The list of these clashes is really imposing.

These border clashes in most cases broke out between Soviet and Japanese soldiers, the latter being charged with the defense of Manchoukuo. The first border incident of importance took place on the Amur in June 1937 between Japanese troops and Soviet gunboats, three in number, this occurrence being known as the Kanchatzu incident. A clash of even greater magnitude followed on July 12, 1938 near the northeastern section of the Korean border, the case being known as the Changkufeng incident. The number of soldiers, tanks and aircrafts that engaged in this military incident were not inconsiderable. This border occurrence, although eventually localized, might have led to very serious developments. It proved the importance of effecting clear-cut border demarcation wherever it was in doubt.

A border clash on the largest scale took place in September 1939 on the western side of Manchoukuo to the south of Lake Buinor on an extensive grassy plain at a region called Nomonhan. A Mongol-Soviet army of considerable strength came into clash with Japan-Manchoukuo-Mongol forces. Although facts and figures for the most part remain unrevealed, there were intense fightings on land and in the air. The casualties on either side were counted by tens of thousands before an armistice was effected in October.

SETTLEMENT OF MANCHOUKUO-OUTER MONGOLIA BORDER DEMARCATION

Documents relating to the demarcation of the border between Manchoukuo and Outer Mongolia were signed by plenipotentiaries of the two countries on October 15, 1941. The communique issued jointly by the two countries reads:

"The members of the Manchoukuo-Outer Mongolian Mixed Border Demarcation Commission met in Harbin from September 23 and undertook the preparation of various documents in connection with the results of the border delimitation work conducted on the spot this summer. Smooth progress was registered, and the above documents were formally signed on October 15 between the plenipotentiaries of the two countries, thereby bringing to an end the work of the Border Demarcation Commission."

The following statement was made by Takemi Miura, Vice-Director of the Foreign Office, in connection with the successful completion of the work of demarcating the frontier between Manchoukuo and Outer Mongolia:

"In the past there were not a few places on the border between Manchuria and Outer Mongolia where the boundary line was indistinct, with the result that numerous disputes broke out during the past 200 years. As disputes still occurred even after the foundation of Manchoukuo, our Government, in order to prevent recurrence of such disputes on several occasions, beginning with the first Manchouli Conference in 1935, conducted negotiations with Outer Mongolia for demarcating the frontier, but to our regret, no satisfactory results were attained.

"In June of last year, however, steps were taken to establish a Manchoukuo-Outer Mongolian mixed border demarcation commission on the spot through the good offices of the Japanese Government, and our plenipotentiaries, Mr. Nobusada Shimomura, Director of the Political Affairs Bureau of the Foreign Office, and Mr. Po-yen-man-tu, then councillor of the Hsingan Office and at present Governor of East Hsingan Province, were dispatched to Chita in August of the same year and made various arrangements with the Outer Mongolian plenipotentiaries, General Doruji and Colonel Smirnoff, concerning demarcation of the frontier on the spot.

"The work of delimiting the border was undertaken from the middle of September, but various technical difficulties which both sides did not expect were encountered, and apart from the completion of astronomical surveys, nothing concrete was accomplished. With the advent of the cold winter demarcation work was unavoidably suspended temporarily from the middle of December.

"The Governments of the two countries agreed to resume the work of the border commission with the return of spring. At the same time, in view of the bitter experiences of last year, the two Governments decided to remove the above technical difficulties before commencing delimitation work on the spot. For this purpose the Manchoukuo and Outer Mongolian plenipotentiaries met in Chita again in May, and the task of demarcating the frontier was undertaken from June 27 after making detailed and concrete arrangements. Everything progressed smoothly and the entire work was peacefully concluded on August 15.

"The frontier, extending some 300 kilometres, was divided into two sections, namely north and south, and the work on the southern section was undertaken by Manchoukuo, and that on the northern section by Outer Mongolia. Maintaining close co-operation with each other, the Manchoukuo and Outer Mongolian members of the border demarcation commission decided the points where the boundary line should pass, surveyed the districts bordering the frontier, and set up boundary posts. Notwithstanding topographical, climatic and numerous other obstacles encountered, delimitation work progressed with surprising speed as a result of the untiring efforts of those engaged in the task. Moreover, the work was carried out with strict thoroughness by making use of most up-to-date science, and it is no exaggeration to say that no greater degree of accuracy, viewed from all points, could be expected from work of this kind.

"With completion of the demarcation work the plenipotentiaries of the two countries met in Harbin from September 23, bringing with them the results of their work, and began drafting various relevant documents. The Harbin talks progressed smoothly and the documents were signed by the plenipotentiaries of the two countries on October 15.

"Boundary posts now stand at one hundred and several score places on the 300-kilometre frontier extending from Lake Buir in the north to Arshan in the south, clearly showing the course of the boundary line.

"The difficult question pending for the past two years has thus been amicably settled. Needless to say, the Manchoukuo Government, in the meantime, negotiated by constantly maintaining a fair and just attitude and also did not forget to take a conciliatory stand in deciding upon the boundary line. We, however, stood firm to any points on which we deemed our contentions were justified, and secured the districts which are vitally necessary for the defence of our land.

"In completing this work we call to memory the distinguished services rendered by those who sacrificed their lives in the defence of Manchoukuo, and at the same time express our sincere gratitude to the members of the border commission and others who undertook the border demarcation work in the face of untold hardships."

GERMAN-MANCHOUKUO TRADE AGREEMENTS

On April 30, 1936, a trade agreement was reached between Germany and Manchoukuo to be effective for one year commencing June 1, 1936. The arrangement proved satisfactory to the contracting parties and its renewal was effected, with modifications, upon the lapse of the agreement. The latest contract which is for the period of one year commencing June 1, 1940 was signed at Hsinking on September 12, 1940. The joint communique issued by the contracting parties on the same day reads as follows:

"As the Manchoukuo-Reich agreement concerning foreign trade and payments between the two countries, which was concluded on September 14, 1938, had expired on May 31 this year, the Manchoukuo and German Governments conducted negotiations for some time on steps to be taken in the future. As a result of these negotiations the two Governments reached an agreement of views to make certain revisions in the above Agreement so as to conform to the present situation, and to extend the agreement for another year retroactive from June 1. The agreement for renewal of the Trade Agreement was signed in Hsinking today by the plenipotentiaries of the two countries."

The text of the trade agreement reached on May 31, 1939 reads as follows:

1. In case payments for German goods imported into Manchoukuo exceed the amount paid in Reichmarks into the special account in accordance with the provisions of Articles 1 to 3, the German Government shall make arrangements so as to enable the bank designated in Article 2 to secure loans from German banks to the extent of 45,000,000 Reichmarks, during the period from June 1, 1939 to May 31, 1940.

2. If payments for Manchurian products imported into Germany exceed the amounts specified by the provisions of Articles 1 to 3, the total amount of the excess may be paid in Reichmark into the special account, "Manchoukuo Y," kept in the bank designated in Article 2. The said total amount shall not, however, exceed 45,000,000 Reichmarks, during the period from June 1, 1939 to May 31, 1940.

3. Loans obtained in accordance with Section 1 above, by the bank designated in Article 2, may be repaid with Reichmarks paid into the special account in conformity with the provisions of Articles 2 and 3 and of Section 2 above.

4. In case imports to be accounted for the preceding year are completely carried out, and in case loans for this year are granted in accordance with Section 1, payments into the special account, "Manchoukuo Y," may be made in conformity with Section 2 above to the extent of 20,000,000 Reichsmarks, along with the payments provided for in Articles 2 and 3, even if the import of Manchurian products provided for in Articles 1 to 3 may not have been completely carried out.

5. The present Agreement shall remain as long in force as the Convention concerning the exchange of commodities and payment between Manchoukuo and Germany.

Any loans still outstanding after the expiry of the Convention may be paid conformably to the provisions of the present Agreement.

Done in duplicate in Hsinking, this thirty-first day of the fifth month of the sixth year of Kangte, corresponding to May 31, 1939.

In behalf of the Government of Manchoukuo, Tsai Yun-sheng L.S.
In behalf of the German Government, Dr. Wilhelm Wagner L.S.

The Department of Finance and Commerce of Manchoukuo issued a statement on May 31, 1939, reviewing the trend of the German-Manchoukuo trade agreements from its inception in 1936. Excerpts from the statement are as follows:

"We may take this opportunity to survey the development of Manchoukuo-German trade since the first agreement was concluded between the two countries on April 30, 1936. During the one-year period following that date, Manchoukuo imports from Germany amounted to 13,000,000 yuan in value, while exports to Germany reached 53,000,000 yuan. Principal items of imports were machinery, 4,000,000 yuan; iron and steel, 2,000,000; dye-stuffs and paints 1,600,000 yuan; cameras, etc., 1,000,000 yuan. Exports comprised beans, 37,000,000 yuan; bean oil 8,000,000 yuan; groundnuts, 5,000,000 yuan. During the second year of the trade agreement, Manchoukuo imports increased to 22,000,000 yuan, while exports to Germany rose to 60,000,000 yuan. Imports included machinery, 10,500,000 yuan; chemicals and paints, 3,300,000 yuan; iron and steel, 4,500,000 yuan. Exports consisted of beans, 42,000,000 yuan; bean oil, 7,000,000 yuan; groundnuts, 3,000,000 yuan, etc. In the eleven months ending April 30, Manchoukuo imports from Germany totalled 43,000,000 yuan in value, while exports to Germany amounted to 130,000,000 yuan. Imports comprised machinery, 29,000,000 yuan; iron and steel, 4,600,000 yuan; miscellaneous goods, 500,000 yuan. Principal items of exports during this period were beans, 110,000,000 yuan; bean oil, 8,500,000 yuan. With certain additions and subtractions, trade accounts between the two countries worked out as follows:

(In 1,000 yuan)

	German payments	Manchoukuo payments
First Year	63,000	13,000
Second Year	79,000	37,000
Third Year	139,000	86,000

"Such are, briefly, the results of the Manchoukuo-German trade agreements. A steady market is thus assured for Manchoukuo beans, enabling the country to maintain and improve the standard of life of its agricultural population, while the imports from Germany, consisting as they do of machinery, iron, steel, etc., are a great contribution to the progress of the five-year programme."

Special Mission from Nanking

A special mission to Hsinking was despatched from Nanking by President Wang Ching-wei, the party consisting of 12 members arriving at Hsinking on December 20, 1941. The mission was headed by Hsu Liang, Minister for Foreign Affairs of the National Government.

Renewal of Manchoukuo-Germany Trade Agreement

A new agreement for renewing for another year the Manchoukuo-Reich. Trade Agreement of September 14, 1938, which expired on May 31, 1941, was signed at Hsinking on the same day by Wei Huan-chang, Director of the Foreign Office, on behalf of the Manchoukuo Government, and by Dr. Wilhelm Wagner, German Minister in Hsinking, and Helmut Wohltat, leader of the Reich economic mission, on behalf of the German Government.

The joint communique reads:

"As the Manchoukuo-Reich agreement concerning foreign trade and payments between the two countries, which was concluded on September 14, 1938, and subsequently extended to September 12, 1940, was scheduled to expire on May 31 this year, negotiations were opened in Tokyo between representatives of the two Governments, and have now been successfully concluded.

"A second agreement concerning extension of the Agreement concerning foreign trade and payments between Manchoukuo and Germany was signed on May 31 at the Premier's official residence by Mr. Wei Huan-chang, Director of the Foreign Office, on behalf of Manchoukuo Government, and by Dr. Wilhelm Wagner, Reich Minister in Hsinking and Herr Helmut Wohltat on behalf of the German Government."

MANCHOUKUO'S ATTITUDE IN GREAT EAST ASIA

H.M. the Emperor of Manchoukuo issued an Imperial Rescript at 11 p.m. December 8, pledging coöperation with Japan in her war against Britain and America.

The Rescript "On the Current Situation" reads:

"We, the Sovereign of the Empire of Manchoukuo, observing the will of Heaven, inform you subjects of Our Dominion that His Majesty the Emperor of Nippon today declared war upon the United States of America and Great Britain.

"The Japanese Sovereign's rescript is as clear as the sun. We are spiritually at one with the Emperor of Nippon, and you loyal subjects are spiritually allied with His subjects. Thus Our Empire was early allied to the Empire of Nippon in the cause of joint defence based upon the relation of indivisibility. In whatever circumstances. We should find ourselves, we two nations shall never part from each other. We expect you subjects of all ranks and positions to appreciate perfectly Our wishes, so that both official and civil quarters as well as every part of Our Dominion discharge wholeheartedly their national service and assist the war of the Allied Empire with the entire strength of the nation, to promote the cause of settling the East Asian situation and to contribute to peace of the world. We command you to observe faithfully this Our desire.

Imperial Name and Seal.

December 8th, in the 8th Year of Kwangte"

Countersigned by all Ministers of the State.

Statement of Premier Chang Ching-hui

Premier Field-Marshal Chang Ching-hui, receiving the above Imperial Rescript, urged the people to do their duty of assistance to Nippon according to the sacred principle of joint defence.

Reiterating the Imperial Rescript instructing Manchoukuo subjects to assist Japan's war for peace and justice, the venerable Prime Minister of Manchoukuo stated the following:

"Appreciating His Majesty's wishes, I inform you my fellow countrymen that the allied Empire of Nippon has risen in arms for the co-prosperity of East Asia. It is universally known how Nippon has solidified for us the national foundation of this Empire and has later assisted the new Government of China in establishing a New Order, and how during the past five years she has devoted all her national strength to the work of rehabilitating Asia, and how her punitive war has been irresistible. It is unnecessary to say that she has been on the verge of consummating her sacred campaign of settling the turmoil in China and restoring peace to the sphere of East Asia. Great Britain and the United States of America, however, have viewed askance East Asian rehabilitation as disadvantageous to themselves, and, looking upon Japan as an arch-enemy, have tried every means to defeat her. Their evil hearts did not shirk resort to every piece of treachery and machination, discarding every well-meant advice and counsel. Despite urgent negotiation by Japanese envoys they could not be persuaded to change their bigotted attitude, and meanwhile advancing war preparations, have watched an opportunity to deal a stunning blow to Nippon. The situation really admitted of no delay in counter-action on the part of Nippon.

"Declaration of war by Nippon is a Divine decision taken at a most opportune moment. The outcome of the war is already clear for us. All subjects of Manchoukuo are expected to appreciate the cause of Japan's declaration of war, and to embody their Emperor's wishes to discharge their duties at their respective posts and carry out the sacred objective of Asia rehabilitation in the face of all difficulties."

Diplomatic and Others Foreign Representatives in Manchoukuo

(November, 1941)

Japanese Embassy
Ambassador, General Yoshijiro Umezu
Counsellor, Yoshiyuki Hanawa
Naval Attache, Rear-Admiral Matsunaga
Military Attache, H.E. Major-General Hikosaburo Hata
1st Secretary, Masaomi Yoshitomi
Assistant Naval Attache, Commander Teketsugu Yamada
Assistant Military Attache, Major Hayao Nishihara

Chinese Embassy
Ambassador, Lien Yu
Counsellor, M. C. Tso
First Secretary, Lei Yu-hsi
Second Secretary, Chiang Chih-sun

German Legation
Envoy Extraordinary and Minister Plenipotentiary Dr. Wilhelm Wagner
Counsellor, Dr. George Kuhlborn

Air Attache, Colonel Hans-Wolfgang von Gronau
Military Attache, Colonel Alfred Kretschmer
Assistant Air Attache, Engineer-Lieutenant-Colonel Wilhelm Nehmiz
Assistant Military Attache, Major Fritz-Julius von Petersdorff

Italian Legation
Envoy Extraordinary and Minister Plenipotentiary, Com. Luigi Neyrone
Military Attache, Lieutenant-Colonel Guido Bertoni
Commercial Counsellor, Romolo Angelone
Press Attache, Mirko Ardemagni

The Holy See Representative
Representatives of The Holy See to Manchoukuo, Monsignor Augustin Gaspais
Counsellor, Reverend Father Eugene Cledomir Joly

Mongolian Federated Autonomous Government
Representative, En-Ho-Pu-Lin
Counsellor, Kensuke Kishikawa

Roumanian Legation
Minister, General Georges Bagolesco
Military and Air Attache, Col. Nicholas Radulesco

Hungarian Legation
Minister, Nicolas de Vegh

Finnish Legation
Minister, C. G. Idman

Manchoukuoan Embassies & Legations Abroad

Tokyo:	Ambassador Li Shao-keng
Nanking:	Ambassador Lu Yun-huang
Berlin:	Minister Lu I-wen
Rome:	Lo Cheng-peng
Madrid:	Lo Cheng-peng

Localities of Consulate

(* Consulate-General: † Honorary Consulate: including countries not recognized by Manchoukuo)

Japan:	*Hsinking, *Harbin, Manchouli, Mutankiang	Holland:	Harbin, Yingkow, †Dairen
England:	*Mukden, *Harbin, Dairen	Latovia:	†Harbin
U.S.A.:	*Mukden, *Harbin, Dairen	Estonia:	†Harbin, †Dairen
France:	Mukden, Harbin, †Dairen	Belgium:	†Harbin
Germany:	*Harbin, Mukden, Manchouli, *Dairen	Denmark:	†Harbin, †Dairen
U.S.S.R.:	*Harbin, Manchouli, Dairen	Norway:	Yingkow, †Dairen
Italy:	Harbin, †Dairen	Sweden:	†Dairen
		Finland:	†Dairen
		Salvador:	*Hsinking
		Switzerland:	†Dairen

CHAPTER XIII

JUDICATURE

The Government of Manchoukuo, with the assistance of Japanese jurists, gave early attention to the matter of reforming the judicial system that had been adopted from China. Under the organic Law the Government guaranteed independence of the judiciary from other branches of the administration. Judges are now appointed for life and enjoy independence in the discharge of their duties. Nor can they be dismissed against their wish, except in case of trial for criminal offences or disciplinary punishment.

The former system of farming out judicial and prison functions by contract was abolished. In order to exterminate corrupt and mercenary practices, the judicial organs were placed under the central organ, all its expenses being now defrayed from the state budget. For improvement of the qualifications of judicial officials, their appointment was made subject to state examination. A system was at the same time introduced for sending Manchu judicial officials abroad to receive adequate legal training. The administration of prisons where sanitation was utterly neglected before was placed in the hands of efficient and humane officials. The way was thus prepared for public justice, in its true and full sense, in the country where in its name undescribable crimes used to be committed with impunity.

HISTORICAL

The peculiar Chinese conceptions of public justice were transplanted to Manchuria through the ages of changing dynasties and prevailed there until the birth of the new state of Manchoukuo. As the courts of justice and its administrators were always held in contempt in China, so they were regarded in Manchuria and men of equality or ability remained disdainfully aloof from the province of jurisdiction. Justice was administered in so far as it

pleased the most arbitrary of war lords who ruled with force; courts of justice were over-ruled wherever the mighty lord found necessary; decisions of the bench were tampered with whenever occasion arose; the penalties declared in court were changed or commuted by commercial bargaining; and the prisons were run under contract and on a business basis.

What an European writer said regarding the judicial administration of China in the pre-republican times equally applied to Manchuria, where efforts at reform were absent. He wrote: "Under the old system practically every provincial official, except those having the territorial jurisdiction, exercised judicial as well as administrative functions. This, to a large extent, accounts for the hopeless inefficiency and maladministration of the law courts. Bribery and torture were the rule rather than the exception, and it was difficult, if not impossible, to obtain justice. The cruelties practised in the yamens and the inhumane methods of punishment employed in the prisons, forced the Treaty Powers to claim extraterritorial rights over their own nationals."

The reform of China's judicial system which was begun in 1910 by native jurists chiefly trained in Japan was followed by successive steps to the same end. The codification of the penal and civil laws was practically completed in 1921, with the assistance of foreign experts, especially Japanese and French jurists. All these legal reforms were in due course introduced to Manchuria but were given little countenance by the war lords who had their own reasons to oppose change.

Department of Justice

The Department of Justice forms part of the State Council. Subject to guidance of the Prime Minister, the Minister of Justice exercises supervision over the courts, procurators' offices, and prisons, and has charge of the administrative business concerning civil, criminal, and non-contentious cases, penal administration, national and land registration, as well as other matters. He is assisted by a Vice-Minister. The Department of Justice comprises the Secretariat and three Bureaux, namely, the Bureau of Civil Affairs, Bureau of Criminal Affairs, and Bureau of Penal Administration. The Secretariat consists of the Personnel, Documents, Accounts, and Research Material Sections, while the Bureaux have each three sections. There are in addition several councillors specially charged with the drafting of laws. The Department also conducts training institutes for judicial and penal officers.

Courts

Besides trying civil and criminal cases, the courts are competent to deal with non-contentious and other matters. The supreme court, the high court, the district court, and the sub-district courts are the four grades of courts in Manchoukuo.

The sub-district court has original jurisdiction in respect of cases (1) involving 2,000 yuan or less, (2) arising out of leases of buildings, or (3) based on possessory rights. In criminal matters, it has original jurisdiction over cases not under the jurisdiction of other courts. In the absence of statutory provisions to the contrary, this court deals with non-contentious cases. In this court a single judge tries all cases.

The district court has original jurisdiction over civil cases (1) not belonging to the competence of the sub-district court, or (2) relating to bankruptcy. In criminal matters, original jurisdiction over (1) cases of felony or (2) cases of misdemeanor liable to imprisonment or heavier penalties belongs to the district court. This court also hears (1) appeals from verdicts of the sub-district court, or (2) protests against verdicts of courts other than the sub-district court, with the exception of cases which belong to the competence of the high court. In the district court, a single judge tries cases of first instance; cases of second instance are heard by three judges forming a collegium.

The high court is the tribunal of first instance respecting cases (1) of rebellion or (2) treason while it is the court of second instance in hearing (1) appeals from judgments rendered by the district court in first instance, or (2) cases protesting against verdicts other than those rendered by the district court in first instance, with the exception of cases which come under the jurisdiction of the supreme court. The judgments of the high court are final for (1) appeals from verdicts rendered by the district court in appellate instance, or (2) cases protesting against verdicts rendered by the district court in appellate instance, or (3) cases protesting against decisions of dismissal in the sub-district court. In the high court all cases are tried by three judges forming a collegium.

The supreme court has original and final jurisdiction over cases of high treason, while its judgments are final for (1) appeals from verdicts rendered by the high court, or (2) appeals from verdicts rendered by the district court in first instance, or (3) cases protesting against verdicts other than those rendered by the high court in first or second instance, or (4) cases protesting against decisions of dismissal in the district court. The supreme court has a collegium of five judges.

The judges conduct trials and render judgments independently and in accordance with law. The administrative business of the sub-district court is disposed of by the supervising judge or the single judge of the same court, while in any of the higher courts, the president or presiding judge has charge of this business. The president is assisted by a vice-president.

Table 1. NUMBER OF JUDICIAL ORGANS
(September, 1940)

	Hsinking	Mukden	Harbin	Mutan-kiang	Chin-chow	Tsitsihar	Total
High Court	1	1	1	1	1	1	6
" " Branch	2	2	1	2	1	2	10
Local Court	6	8	4	3	4	4	29
" " Branch ...	21	19	18	8	15	5	86
District Court	27	29	25	14	22	14	131
" " Branch ..	4	3	4	6	3	5	25
High Procurators Office	1	1	1	1	1	1	6
" " Branch	2	2	1	2	1	2	10
Local Procurators Office	6	8	4	3	4	4	29
" " Branch	21	19	18	8	15	5	86
District Procurators Office	27	29	25	14	22	14	131
" " Branch	4	3	4	6	3	5	25

Note: The Supreme Court is located in Hsinking.

Procurators' Offices

The sub-district procurator's office, the district procurator's office, the high procurator's office, and the supreme procurator's office are attached respectively to the sub-district court, the district court, the high court, and the supreme court. The procurators have charge of the detection, search, and prosecution of crimes, as well as the direction of the execution of criminal judgments. Their activities are limited within the spheres over which the courts to which they are respectively attached exercise jurisdiction, except in cases of emergency or where provided by laws and ordinances. In such exceptional cases, they may effectively intervene outside their own spheres or beyond their ordinary authority. In the exercise of their authority, the procurators are subject to the instructions of their superiors, especially of the Minister of Justice.

Table 2. CRIMES AND ARRESTS CLASSIFIED

Crimes	No. of Cases	Arrests	
		Cases	Criminals
Rebellion	5	5	10
Foreign Troubles	2	2	3
Disturbance of Diplomatic Relations	—	—	—
Disgrace of Official Honour	199	191	288
Disgrace of Official duties	117	108	163
Disturbance of Election	3	3	4
Disturbance of Public Peace	306	295	472
Escape	93	81	121
Criminals concealed	149	147	210
Perjury and Calumny	270	272	381
Public Danger	565	473	602
Forgery of coins	156	153	257
Forgery of measure instruments	5	5	7
Forgery of documents and securities	85	85	130
Corruption of Public Morals	222	313	525
Disturbance of Marriage and Home	934	885	1,678
Profanity of Rites, Defilement of Tombs and corps	99	87	176
Obstruction of business	10	10	18
Opium-smoking	2,110	2,071	2,791
Gambling	2,470	2,401	11.164
Murder	951	757	11,217
Battery and assault	1,474	1,398	2,146
Abortion	11	11	15
Desertion	24	22	37
Disturbance of Freedom	158	160	250
Defamation of Honour and Trust	53	51	68
Disturbance of Civil Secret	12	11	14
Larceny	8,584	7,165	9,317
Burglary and Pirating	11,635	4,874	8,423
Trespassing	371	351	534

(Continued)

Crimes	No. of Cases	Arrests	
		Cases	Criminals
Fraud	1,275	1,256	1,787
Black-mailing	171	159	247
Stolen goods concealed	552	528	808
Damage	31	29	38
Total	33,202	24,359	43,901
Violation of Temporary Insurgents Suppression Law	218	106	187
Violation of Robber and Bandit Suppression Law	10,150	3,963	5,843
Violation of Opium Law	2,401	2,397	3,484
Violation of Others	159	159	184
Total	12,928	6,625	9,698
Violation of Police Regulations	12,425	12,294	20,445
Violation of Fire-arms Controlling Regulations	1,536	1,536	2,562
Violation of "Pao-Chia" (Civil Guards) Regulations	50	50	442
Violation of Others	582	578	949
Total	14,593	14,458	24,398
GRAND TOTAL	60,723	45,442	77,997

Special Judicial Organs

In regard to the Hsingan Provinces, which form Special Administrative Districts and contain a large Mongol population, the Provisional Regulations Concerning the Courts in the Hsingan Provinces were promulgated and enforced, September 1, 1937. The said Regulations provide for the establishment of courts and procurators' offices in the Special Administrative Districts.

The courts established in these districts under the Regulations above-mentioned, exercise jurisdiction over the same categories of civil, criminal, and non-contentious cases as are taken cognizance of by other sub-district and district courts of Manchoukuo, with the exception of appeals from the district court. Judicial commissioners, instead of judges, are appointed to the courts in the Hsingan districts, and these commissioners, who are heads of banners or hsien exercise the functions of judges. Under certain circumstances, lieutenant-commissioners, instead of regular commissioners, may be appointed. The procurators' offices in the Hsingan Provinces exercise their functions within the spheres covered by the courts to which they are respectively attached. Procuratorial commissioners, instead of procurators, are appointed to these offices.

Prisons

Prison officials are responsible for the enforcement of criminal judgments, under the supervision of the Minister of Justice. The heads of prisons have vice-heads to assist them in the discharge of their duties. Branch prisons are located in important places within a prison district. The heads of branch prisons have also vice-heads to assist them.

Judicial Reform

Shortly after the establishment of Manchoukuo, the Department of Justice drew up a basic plan to eliminate the shortcomings obtaining in the previous regime. The plan consisted of four points, namely, (1) the firm establishment of the judicial system, (2) enactment or codification of laws, (3) improvement of personnel, and (4) perfection of material equipment.

Establishment of System. The essential point of the problem was to create a system which fully guaranteed a fair administration of justice. Laying, therefore, the highest importance on this point, the Department of Justice drafted a bill governing the organization of courts, which was duly enacted, and enforced July 1, 1936. In order to ensure a full and efficient discharge of judicial business, the Act set up severe qualifications for the appointment of judicial officers, and established the age-limit for them, while guaranteeing their tenure of office. Simultaneously with the enforcement of the Act, reorganization of courts and procurators' offices was taken in hand, in accordance with its provisions. Considering that this required a heavy expenditure, that it was obviously impossible to obtain personnel at one time for all courts and procurators' offices, and also that there were many districts where it was not advisable to introduce immediate reform, the reorganization effected during 1936 was limited to the reconstruction of the courts and procurators' offices established under the previous Organization Act. As regards other courts and procurators' offices, it was decided to complete the reorganization within four years from 1937, with the exception of the judicial organs in the Hsingan Provinces. The task was taken in hand beginning with the organs in more important towns. A small number of establishments in outlying districts still remained to be reorganized, and these too were to be reconstructed before the end of 1940.

As regards the judicial organs in the Hsingan Provinces, their reorganization in the same basis as the organs in other parts of Manchoukuo was considered rather premature in view of the standard of life, manners and customs, characteristics of suits, facilities of communication, and other conditions in the said region. It was decided, therefore, to establish special judicial organs ad tempore, in the Hsingan Provinces. For this purpose, the Provisional Regulations Concerning the Courts in the Hsingan Provinces were promulgated and enforced on September 1, 1937.

As regards penal administration, the Ordinance Concerning the Organization of Prisons had already been issued in April, 1935, to reorganize the system on a uniform basis. The prisons existing at the time were of a miscellaneous nature and all of them were under the control of the high procurator, with the Minister of Justice exercising only secondary supervision. The prison administration lacked system, which hindered the progress of penal administration in general. In view of this situation, the Minister of Justice took all the prisons under his direct supervision, and started their reorganization. However, from considerations of expenditure, personnel, and other matters, it was again obviously impossible to carry out simultaneous reform of all prisons; so it was decided to begin with the reorganization of important prisons, to be followed by the reform of other prisons, and this at an equal pace with there construction of law courts. This task was to be completed within 1940. In the Hsingan Provinces, the banner and hsien prisons are to be retained for the time being.

Codification of Laws

As regards the codification or enactment of laws, it was essential to expedite the labours, in order to meet the requirements of the new State. Immediately following the establishment of Manchoukuo, it was proclaimed that existing laws should continue in force, so far as they were not in conflict with the spirit of national foundation, conditions of the country, laws and ordinances newly issued. It was recognized from the beginning that a legal system congenial to the soil and in harmony with the spirit of national foundation and life must be established at an early date. In the spring of 1933, therefore, the Law Inquiry Commission was created in the Department of Justice. The compilation of such basic laws as Civil, Commercial, and Criminal Codes, Civil and Criminal Procedure Codes required special official personnel to attend to the task, as well as the collaboration of authorities in legal circles. Considering this necessity, the Department of Justice, in October, 1934, appointed several legal councillors, who organized a drafting committee together with other members of the Department. While studying the manners and customs in the country and other relevant matters the committee proceeded with its task, and the drafts thus obtained were submitted for examination to the Code Enacting Committee, which included non-official legal experts. To make matters doubly sure, the Department of Justice obtained the services of Japanese legal authorities, who acted as advisors. The enactment of the above-mentioned codes, as well as a number of other important laws, was completed before the end of 1937.

Improvement of Personnel

Considering that under the previous system, the prestige of the judicature was at an extremely low ebb, owing to the inferior quality of the personnel, the Department of Justice felt an urgent need of improvement in this respect. In October, 1934, therefore, the Department opened a Law School under its control, enrolling mostly Manchus and instructing them in jurisprudence and ethics. The graduates from the School were employed as assistant judicial officers, to be appointed regular officers after examination on the completion of a period of practical training. The School turned out 60 or 70 graduates each year, who gave a satisfactory account of themselves in official life. On the reorganization of the School as a Law College in April, 1939, the Department of Justice created a new training institute for judicial and penal officers, where a good number are now receiving instruction.

Under the former system, the appointment of judicial personnel was swayed by private considerations, for this was done mainly by recommendation, not by examination—with the result that the personnel steadily declined in quality. In order to remove the cause of the decline, so far as the method of appointment went, by making personal character and capacity the criterion for appointment, the Government, in July, 1936, issued the Judicial Examination Ordinance and other regulations, which proved effective in realizing the desired object. The ordinance and regulations above mentioned were abolished in October, 1938, when the Civil Service Ordinance, applicable to the government officials in general, was promulgated and enforced. The object of the Civil Service Ordinance was quite the same as that of the abolished ordinance and regulations, so that there was no change in substance, in the method of appointing judicial officers.

In view of the fact that the improvement of judicial service on Manchoukuo depended largely upon Japanese personnel, and that the despatch of judicial business required an adequate number of such personnel, the practice was inaugurated in 1934 of transferring each year a certain number of Japanese judicial officers in active service to Manchoukuo to be appointed judges or procurators in the new State—a practise which has resulted in a marked improvement in the standard of justice, as well as in judicial administration in general.

As a means of uplifting the Manchu personnel in the judicial service, the Government instituted in the same year a system of sending promising Manchu members to Japan to study jurisprudence and learn the spirit of justice in that country, under the guidance of the judges and procurators of the Supreme Court. Over a dozen such officers were sent each year, and on their return from Japan after a stay of one year (prescribed period), these Manchus showed admirable improvement in their capacity as judicial officers. The system is still in force. Further, for the purpose of making the Manchu presidents and chief procurators of law courts acquainted with the conduct of judicial procedure as well as general conditions in Japan, the Government inaugurated, also in 1934, the annual despatch of a dozen or more of such senior members, with highly satisfactory results. Regarding penal officers, a similar system is also in force. In addition, conferences of judicial officers, and also lecture meetings for such officers, are held from time to time, for the purpose of study or instruction. As the cumulative result of all these efforts, the judicial service in Manchoukuo has improved markedly.

Table 3. NUMBER OF JUDICIAL OFFICERS DESPATCHED TO JAPAN FOR STUDY

	Judicial Officers				Prison Officers			
	Judges	Procurators	Other Officers	Total	Chief wardens	Other Officers	Total	Grand Total
1934	6	5	—	11	6	1	7	18
1935	8	4	1	13	8	2	10	23
1936	7	5	1	13	9	3	12	25
1937	8	4	1	13	10	1	11	24
1938	9	5	—	14	13	—	13	27
1939	7	5	—	12	10	1	11	23
Total ..	45	28	3	76	56	8	64	140

Material Equipment

As regards the construction and repair of court and prison buildings, simultaneous execution was of course impossible from considerations of expenditure and building material. It was decided therefore to begin with the construction and repair of the more important ones. This plan has been pursued during the last few years, and the work has now been practically completed, so far as court and prison buildings in important centres are concerned. The New Court Building in Hsinking, which shelters under its roof all the courts and procurators' offices in the capital, from the supreme court and supreme procurator's office downwards, is an imposing structure built in modern style, a structure fit to be the temple of justice in the new State.

Representative of the new prison buildings is that of the Second Prison in Mukden, with a capacity for 1,200 persons, and with cells, workshops, medical quarters, preachers' quarters, lecture halls, etc., all designed in the latest style. Particularly, the workshops are a model of perfection.

The construction of principal court and prison buildings have thus been completed; but taking the country as a whole, much still remains to be done in this direction. Owing to the current economic conditions, the work may be delayed to some extent; but within the prescribed limits, the best effort is being made to expedite the work.

As described in the preceding paragraphs, the Government has continued its efforts for the firm establishment of the judicial system, codification of laws, improvement of personnel, and perfection of material equipment—all in a coordinated manner.

Ancillary or Supplementary Institutions

The creation of various ancillary or supplementary institutions was another important matter, from the standpoint of securing the harmonious working of the judicial system. For this purpose, the Government has adopted several measures, of which the Conciliation Act, Notaries Act, and Advocates Act are the principal ones.

The Conciliation Act was put into effect December 1, 1937. The two important characteristics of the system enforced are the recognition of compulsory conciliation and the application of this method to a wide range of cases. In civil actions, which of course presuppose two contesting parties, the procedure is complicated, involving a high cost and requiring much time. Moreover, it happens not infrequently that a satisfactory solution of disputes is unattainable by this method. Therefore, in addition to regular civil procedure, it is important to provide a simplified method, by which an equitable settlement of civil disputes may be attained. The system of conciliation put into force, December, 1937, is yielding highly satisfactory results, for the greater number of such disputes are being solved by this method. In response to the desires of the inhabitants in country districts, circuit conciliation was introduced in January, 1940.

A system of public notaries had been in force in certain parts of the country. After the enactment of principal laws and ordinances relating to civil matters, it was necessary to improve the system and extend it throughout the country. Thus the Notaries Act was enacted and enforced, December 1, 1937.

As regards the legal profession, the system previously in force was extremely defective, in that it lacked a clear definition of the responsibilities of advocates. It was therefore out of harmony with the judicial system in the new State. The public held the advocates in low esteem, as generally unfit to assist in the administration of justice. To remedy this state of affairs, the old system was replaced by a new enactment, which was promulgated and enforced December 20, 1936. In accordance with the new Law, local bar associations, as well as a nationwide association of lawyers, were formed for the improvement of the status of advocates, promotion of harmony within the profession, etc. At the same time, more strict qualifications were set up for admission to the bar, licences being granted only after consulting a committee composed of leading officials in the Department of Justice. As a result of these measures, noteworthy progress is taking place in the quality of the legal profession.

In addition to the measures mentioned above, an Act Concerning Judicial Cooperation Between Manchoukuo and Japan was put into effect soon after the renunciation by the latter of its extraterritorial rights in Manchoukuo. Further, under an Act of May 12, 1938, a Public Peace Division was created in the supreme court as well as in the high court, with Judges and Procurators of Public Peace, to deal in a speedy and effective manner with cases connected with public peace, thus strengthening the safeguard against "ideological" offences.

As the cumulative result of these measures, the judicial machinery has attained a high degree of efficiency, not merely in the preservation of peace and order, but in the maintenance of private rights. Surveying the conditions following the abolition of extraterritoriality, it may be stated with perfect accuracy that the Japanese residents in Manchoukuo have suffered no abridgement of their rights because of the abolition; on the contrary, they have benefitted in business transactions, and daily life by the simplification of legal forms and procedure. The benefits to the Manchus are no less considerable, so the unitary administration of justice is working to the advantage of both Manchoukuo and Japan.

Penal Administration

Before the establishment of Manchoukuo, the authorities concerned with penal administration had no constructive plans or ideas, beyond that the criminals be put into prisons and be subjected to pain. Prison discipline was, moreover, extremely lax. Under these conditions it was out of the question to hope for any satisfactory result from punishments. As has been already stated, the Government took steps, as a previous condition, to bring various penal institutions under unified control. The criminals must of course be isolated from the community, but the object of punishment is to bring them back to decent life through discipline and instruction imparted during the period of isolation. This point was strongly impressed upon penal officers and prison officials, while completing arrangements , in personnel and material equipment, for carrying out this essential task.

Labor in prison is admittedly the best practical method not only for reforming criminals but for enabling them to earn an honest living after discharge. Despite the fact that the penal law laid down prison labor as a means of punishment, there were at the start of Manchoukuo only a few prisons, where work—simple handicraft work at that—was imposed. In other prisons, the convicts were kept in absolute idleness, which meant an unqualified financial loss, besides having a serious demoralizing effect upon the convicts themselves. In 1934, therefore, machine work was introduced in several of the larger prisons, and the same arrangement was extended to other prisons in succeeding years. In 1937, the Special Account for Prisons was established to place prison finance on a separate basis. The products of prison labor during 1939 were 200 times the amount of 1934.

Table 4. PRISON INMATES CLASSIFIED BY RACES & CRIMES (1938)

(A) Criminal Law

	Manchoukuoan		Japanese		Chosenese		Total incl. Others
	Male	Female	Male	Female	Male	Female	
Bribery	276	1	1	0	1	0	280
Disturbance of Public Duty	44	0	2	0	1	0	47
Escape & Concealment	37	3	0	0	0	0	40
Perjury	19	0	0	0	0	0	20
Defamation	395	17	0	0	0	0	413
Public Danger	13	0	0	0	0	0	13
Arson	20	3	0	0	2	0	25
Disturbance of Traffic	4	0	0	0	1	0	5
Forgery of Coins	80	2	0	0	5	0	87
Forgery of Securities	5	0	1	0	1	0	8
Forgery of Documents	125	0	1	0	0	0	129
Profanity of Rites, defilement of Tombs & Crops	76	1	0	0	0	0	79
Public Moral	19	10	0	0	0	0	29
Gambling	205	20	0	0	15	0	240
Murder	581	54	0	1	3	8	732
Battery & Assault	311	15	8	2	19	1	379
Abortion	3	1	0	0	0	0	4

	Manchoukuoan		Japanese		Chosenese		Total incl. Others
	Male	Female	Male	Female	Male	Female	
Disturbance of Freedom	29	1	0	0	1	0	33
Kidnapping	122	12	0	1	0	2	141
Adultery	183	40	0	1	0	2	243
Blackmail	37	1	0	0	0	0	43
Larceny	4,826	32	130	0	320	0	5,555
Burglary	1,238	3	2	0	5	0	1,267
Fraud & Threat	1,262	14	26	0	26	0	1,426
Breach of Trust	308	3	29	0	9	0	356
Stolen Goods Concealed	266	7	3	0	12	0	303
Total Incl. Others	10,949	242	197	5	417	13	12,448

(B) Special Law

Revolution	176	5	0	0	0	0	189
Bandit	1,687	5	0	0	10	0	1,766
Opium Law	456	40	7	0	156	15	656
Arm & Ammunition Law	116	1	0	0	0	0	117
Publication Law	69	2	0	0	0	0	71
Military Law	196	0	0	0	0	0	198
Others	239	32	10	0	41	1	331
Total	2,939	85	17	0	207	16	3,378
Grand Total	13,888	327	214	5	624	29	15,826

Inheritance Law

General principles concerning enactment of the Law of Inheritance were formulated on July 5, 1941 by the Department of Justice. As the new law will have an important bearing upon the life of the nation, considerable difficulties are envisaged in enactment of the measure in view of the complicated racial composition of Manchoukuo and the necessity of respecting the customs of the divers races, while on the other hand, evil customs of the past will have to be remedied. In formulating the general principles, the utmost prudence was thus taken and particular importance was attached to respecting racial customs and the views of the Manchou members of the drafting committee.

The main problems faced in formulating the general principles were as follows:

Family System. (1) To what extent the family system should be embodied in law. (2) The extent of the family. (3) The qualifications and rights of the family head.

Marriage. Whether or not to abolish the practice of inviting prominent persons to witness weddings. (2) Whether weddings should be solemnized or simply registered. (3) Within what limits the marriageable age should be confined. (4) To what extent marriage between near relatives should be prohibited. To what extent marriage between relatives descending from the same ancestors should be prohibited. To what extent marriage between relatives of different standing should be prohibited. (5) Whether to introduce the practice of giving away sons to become heirs (by marriage) of families without heirs. (6) How the husband-and-wife propety system should be stipulated. (7) What grounds for divorce should be recognized.

Concubines. Whether the status of concubines should be specially stipulated in the law, or whether regulations for indirectly protecting concubines should be considered without any special provisions concerning them.

Parent and Child. (1) Wether to make distinctions between legitimate children, children of concubines, and illegitimate children (children borne by woman other than wife or concubine). (2) Whether stipulations are to be made regarding heirs and adopted sons. (3) How the status of heirs is to be determined. (4) What provisions are to be made regarding establishment of heirs due to deaths. (5) Whether to introduce the Japanese practice of adopting heirs by marriage.

Inheritance. Whether the inheritance system should be codified in the law or determination of succession left to native custom and morals.

Family Property. Whether to codify the family property system existing in Manchuria. (2) What provisions are to be made regarding supervision and disposal of family property. (3) How the extent and precedence of successors to family property is to be determined. (4) How family property is to be allotted.

Special Property. (1) What stipulations are to be made regarding the precedence of successors to special property and the allotment of such property. (2) Whether women are to be given similar inheritance rights as men. (3) Whether concubines and mothers with illegitimate children are to be given the right to inherit special property.

AN ACT GOVERNING THE ORGANIZATION OF COURTS

January 4, 1936

(An Unofficial Translation)

BOOK I

COMPOSITION AND POWERS OF COURTS AND PROCURATORS' OFFICES

Chapter I

General Provisions

Art. 1. The courts shall try civil and criminal cases and shall exercise jurisdiction, as determined by law, over non-contentious and other matters.

Art. 2. The procurators' offices shall have charge of the conduct of detection, search, and indictment of crimes, direction of the execution of criminal sentences, as well as other matters provided by law.

Art. 3. There shall be four grades of courts, as follows:

1. Sub-district court;
2. District court;
3. High court;
4. Supreme court.

Art. 4. The sub-district procurator's office shall be attached to the sub-district court, the district procurator's office to the district court, the high procurator's office to the high court, and the supreme procurator's office to the supreme court.

Art. 5. The Minister of Justice may establish branches of the district and high courts to make such branch courts discharge part of the business of the district and high courts. He may also establish branches of the district procurator's and high procurator's offices for a similar purpose.

Art. 6. The courts shall have judges and the procurators' offices procurators.

Art. 7. The jurisdiction of a sub-district court shall be exercised by a single judge.

In respect of cases of first instance, the jurisdiction of a district court shall be exercised by a single judge; in regard to cases of second instance the jurisdiction of the same court shall be exercised by three judges constituting a collegium.

The jurisdiction of a high court shall be exercised by three judges constituting a collegium.

Art. 8. The powers of a procurator's office shall be exercised by the procurator.

Art. 9. The judges shall discharge their duties with independence and in accordance with law, while the procurators shall be subject to the direction of their superiors in the discharge of their duties.

The Minister of Justice is entitled to give directions to the procurators in the discharge of their duties.

Art. 10. The sub-district court which has two or more judges shall have a supervising judge, while the district court, the high court, and the supreme court shall each have a president.

The district court, the high court, and the supreme court may also each have a vice-president.

Art. 11. The sub-district procurator's office which has two or more procurators shall have a supervising procurator; while the district procurator's office, the high procurator's office, and the supreme procurator's office shall each have a head.

The district procurator's office, the high procurator's office, and the supreme procurator's office may also have a vice-head.

Art. 12. The courts and procurators' offices shall each have a clerk or clerks.

The clerk shall assist at trials, keep records, have custody of documents, and carry out such other duties as are provided by laws and ordinances. He shall also discharge general business of the court or procurator's office, at the direction of his superiors.

Art. 13. The president of a court, the head of a procurator's office, the supervising judge, and the supervising procurator may order the student judicial officer to temporarily discharge the business of a clerk.

Art. 14. A supervising clerk shall be appointed to the sub-district court and sub-district procurator's office; a chief clerk to the district court, the high court, and the supreme court. A chief clerk shall also be appointed to the district procurator's office, the high procurator's office, and the supreme procurator's office.

Art. 15. The courts and procurators' offices may each have an interpreter or interpreters appointed.

Art. 16. The sub-district court shall have a bailiff and a despatch official.

The bailiff shall have charge of the execution of judgments, as well as other matters provided by laws and ordinances; while the despatch official shall be responsible for the despatch of documents, as well as for the discharge of other business provided by laws and ordinances.

Art. 17. The establishment and abolition of courts and procurator's offices, as well as the geographical extent of courts shall be determined by law.

The geographical extent of the jurisdiction of a procurator's office shall be identical with that of the court to which it is attached.

Chapter II

Sub-District Court

Art. 18. The sub-district court shall have original jurisdiction respecting the following categories of civil cases:

1. Cases involving a sum not exceeding 2,000 yuan;
2. Cases arising out of lease contracts of houses;
3. Cases based on possessory rights.

Art. 19. The sub-district court shall have original jurisdiction respecting criminal cases, with the exception of those coming under the jurisdiction of other courts.

Art. 20. The sub-district court shall have original jurisdiction respecting non-contentious cases, in the absence of statutory provisions to the contrary.

Art. 21. The business of registration, which is among non-contentious matters under the jurisdiction of the sub-district court, may be discharged by the clerk.

Art. 22. The Minister of Justice may establish a branch office or offices to discharge part of the registration business of a sub-district court.

Chapter III

District Court

Art. 23. The district court shall have original jurisdiction in respect of the following categories of civil cases:

1. Cases other than those coming under the jurisdiction of the sub-district court;
2. Cases of bankruptcy.

Art. 24. The district court shall have original jurisdiction in respect of the following categories of criminal cases:

1. Cases of felony;
2. Such cases of misdemeanor as are complex in nature and circumstance and liable to imprisonment or heavier penalties.

Art. 25. The district court shall have appellate jurisdiction in respect of the following:

1. Appeals from verdicts of the sub-district court;
2. Cases protesting against verdicts of courts other than the sub-district court, excepting cases coming under the jurisdiction of the high court.

Art. 26. A district court shall have civil and criminal divisions created within it.

Either division shall be composed of three judges, one of them acting as presiding judge.

The Minister of Justice is, however, entitled to determine the number of divisions.

Art. 27. When a division of the district court conducts a trial, one and only one probationary judge may be added to the membership of the division.

Art. 28. A division of the district court shall have a chairman.

The president or vice-president of a district court shall be chairman of a division.

The chairman of a division shall be presiding judge of the same division. In case the chairman is incapacitated or unavailable, the senior member of the division shall fill the place of chairman.

Chapter IV

High Court

Art. 29. The high court shall have original jurisdiction respecting the following categories of criminal cases:

1. Rebellion;
2. Treason.

Art. 30. The high court shall have appellate jurisdiction in respect of the following cases:

1. Appeals from verdicts rendered by the district court in original instance;
2. Cases protesting against verdicts other than those rendered by the district court in original instance, with the exception of cases coming under the jurisdiction of the supreme court.

Art. 31. The high court shall have final jurisdiction respecting the following categories of cases:

1. Appeals from verdicts rendered by the district court in appellate (second) instance, as well as those of the sub-district court;
2. Cases protesting against verdicts of courts excluding those rendered by the district court in appellate instance;
3. Cases protesting against decisions of dismissal in the sub-district court.

Art. 32. The interpretations of laws and ordinance adopted by the high court in verdicts of final instance shall be binding upon the inferior courts, in regard to cases of the same character.

Art. 33. The high court shall have civil and criminal divisions created within it.

Either division shall be composed of three judges, one of them acting as presiding judge.

The Minister of Justice is, however, entitled to determine the number of divisions.

Art. 34. A division of the high court shall have a chairman.

The president or vice-president of the court shall be chairman of a division.

The chairman of a division shall be presiding judge of the same division. If the chairman is incapacitated or unavailable, the senior member of the division shall fill the place of chairman.

Chapter V

Supreme Court

Art. 35. The supreme court shall have original and final jurisdiction respecting criminal cases of high treason.

Art. 36. The supreme court shall have final jurisdiction in respect of the following categories of cases:

1. Appeals from verdicts of the high court, as well as from those rendered by the district court in original instance;
2. Cases protesting against verdict other than those rendered by the high court in original and appellate instances;
3. Cases protesting against decisions of dismissal in the district court.

Art. 37. The interpretations of laws and ordinances adopted by the supreme court in final verdicts shall be binding upon the inferior courts, in regard to cases of the same character.

Art. 38. The supreme court shall have civil and criminal divisions created within it.

Either division shall be composed of five judges, one of them acting as presiding judge.

The Minister of Justice is, however, entitled to determine the number of divisions.

Art. 39. Either division of the supreme court shall have a chairman.

The president or vice-president of the court shall be chairman of a division.

The chairman of a division shall be presiding judge of the same division. If the chairman of a division is incapacitated or unavailable, the senior member of the division shall fill the place of chairman.

Art. 40. If the supreme court should render a verdict differing, in the interpretation of laws and ordinances, from a previous judgment rendered by the same court, the matter shall be determined by joint session of the divisions.

A joint session shall be organized with the entire membership of the civil or criminal division or of the civil and criminal divisions, according to the nature of the case.

At the request of the division handling the case, the president of the court shall order a trial by joint session and determine the organization of the joint session.

Art. 41. Trials by joint session of the divisions shall not be held without the attendance of two-thirds of the members.

The president of the court shall be presiding judge of the joint session. If the president is incapacitated or unavailable, the senior member shall fill the place of president.

Chapter VI

Procurators' Offices

Art. 42. The procurators' offices of various grades shall exercise the powers mentioned in Article 2 of the present Act, in respect of matters lying within the jurisdiction of the courts, to which they are severally attached.

Art. 43. The Minister of Justice may order the student judicial officer and clerk of a sub-district procurator's office, as well as police officers and gendarmerie officers in the area under the same office, to discharge the duties of a sub-district procurator.

Art. 44. The provisions of Article 42 shall not affect the validity of detection and other acts performed by procurators in areas beyond the juristion of their offices, in case of emergency or where there are specific provisions in laws and ordinances.

Art. 45. The supreme procurator's office, the high procurator's office, and the district procurator's office shall each have jurisdiction over appeals from decisions of non-indictment made by the procurator's office standing immediately below them.

BOOK II

PERSONAL OF COURTS AND PROCURATORS' OFFICES

Chapter I

Judges and Procurators

Art. 46. The judges and procurators are appointed from among persons who possess any of the following qualifications:

1. Persons who have received practical training as student judicial officers in courts and procurators' offices for 18 months or more and have passed the prescribed examination;
2. Persons who have taught law for three years or more, as professors or assistant professors, in law schools under the Department of Justice;
3. Persons who have practised law as advocates for five years or more.
4. Persons who are qualified to be judges or procurators in other countries.

Art. 47. Persons who fall under any of the following conditions may not be appointed judges or procurators:

1. Those who have been sentenced to imprisonment or heavier penalties;
2. Those who are not yet rehabilitated after sentence of bankruptcy;
3. Those who have been dismissed from official service by way of disciplinary punishment or who have not yet been reinstated as advocates after having been deprived of their status.

Art. 48. The student judicial officers are selected from among those who possess any of the following qualifications:

1. Persons who have graduated from law schools under the Department of Justice;
2. Persons who have passed the judicial examination;
3. Persons who are qualified to be student judicial officers in other countries.

Matters relating to the judicial examination shall be determined by Imperial ordinance.

Art. 49. Matters relating to the practical training and examination of student judicial officers shall be determined by the Minister of Justice.

Art. 50. The Minister of Justice may deprive any student judicial officer of his status, if the former recognizes that the latter is unfit to become a judge or procurator on account of his behavior or ability.

Art. 51. The Minister of Justice may order newly appointed judges or procurators to serve for a time in sub-district or district courts, or in sub-district or district procurators' offices, in the capacity of probationary judges or procurators.

The probationary judges and procurators exercise the same functions as the judges and procurators of the courts and offices to which they are assigned, in the absence of statutory provisions to the contrary.

Art. 52. The judges and procurators shall be of the tojen, kannin, or chienjen rank.

Art. 53. The posts of president of the supreme court and head of the supreme procurator's office shall be filled by a judge or procurator of the tojen rank, personally appointed by the Emperor on recommendation of the Minister of Justice.

The posts of vice-president and chairman of a division of the supreme court, as well as the president and vice-president of the high court shall be filled by judges of the kannin rank, appointed by the Emperor on recommendation of the Minister of Justice. The posts of vice-head of the supreme procurator's office, head and vice-head of the high procurator's office shall be filled by procurators also of the kannin rank, appointed by the Emperor on recommendation of the Minister of Justice.

The judges and procurators other than those mentioned in the two preceding paragraphs shall be judges of the kannin or chienjen rank, appointed by the Minister of Justice.

Art. 54. No person who has not been a judge for five years may be appointed a judge of the supreme court.

Art. 55. If persons who are qualified to be judges have served in any of the capacities mentioned below, the period so served shall be counted as the period served as judges, for purposes of the preceding Article:

1. Procurators;
2. Higher officials in the Department of Justice;
3. Military or naval law officers;
4. Professors or assistant professors in law schools under the Department of Justice;
5. Advocates in active practice of law.

The same rule applies to persons who are qualified to be judges and who have served in other countries either as judges or in the capacities corresponding to Items I, II, III, and V mentioned above.

Art. 56. The following activities are incompatible with the status of judges and procurators:

1. To participate in politics or to become members of a political party or political society;
2. To engage in commerce or to become officials of business corporations.

A judge cannot be at the same time an administrative official.

Art. 57. If a judge or procurator is sentenced to imprisonment or heavier penalties or has been declared bankrupt in court, he shall lose his office.

Art. 58. Judges and procurators shall retire from service when they have reached the statutory age-limit.

The age-limit for the president and vice-president of the supreme court, as well as for the head and vice-head of the supreme procurator's office shall be sixty-three years, while that for other judges and procurators shall be sixty years.

Art. 59. Those judges and procurators who have become unfit to discharge their duties on account of mental or physical debility may be retired by resolution of the Committee for the Appointment and Removal of Judicial Officers.

Art. 60. The Minister of Justice may, if he deems it necessary for reasons of judicial administration, remove judges to other posts, after a resolution of the Committee for the Appointment and Removal of Judicial Officers.

Art. 61. If there are no vacant posts for the judges and procurators of the courts and offices which have either been abolished or reorganized, the Minister of Justice may place them on half-pay to wait for new vacant posts.

Art. 62. Apart from the five preceding Articles, no judges or procurators shall be relieved of their posts or be removed to other posts or services or be subjected to a reduction of their salaries, against their will, except by way of disciplinary punishment.

The above rule does not apply, however, when judges are transferred to be procurators for reasons of judicial administration.

Judges and procurators shall not be suspended from the discharge of their duties, except where provided by law.

Art. 63. Those judges and procurators who are suspended from the exercise of their duties shall receive half-pay during the term of suspension; but no such pay shall be granted in case of suspension for disciplinary punishment.

Art. 64. Matters relating to the disciplinary punishment of judges and procurators shall be determined by law.

Art. 65. Matters relating to the Committee for the Appointment and Removal of Judicial Officers shall be determined by Imperial ordinance.

Chapter II

Clerks and Interpreters

Art. 66. The clerks shall be appointed from among those who have passed the prescribed examination or who are qualified to be clerks in other countries.

Matters relating to the examination for clerks shall be officials of the chienjen or weijen rank.

The chief clerks of the supreme court, the high court, the supreme procurator's office, and the high procurator's office shall be of the chienjen rank; while the chief clerks of the district court and the district procurator's office shall be either of the chienjen or weijen rank; clerks other than those mentioned above being either of the chienjen or weijen rank. All the clerks shall be appointed by the Minister of Justice.

Art. 68. The chief clerks and supervising clerks direct and supervise tne business of other clerks in matters of judicial administration, under instructions of their superiors.

Art. 69. The method for the discharge of business by the clerks shall be determined by the Minister of Justice.

Art. 70. The interpreters shall be either of the chienjen or weijen rank, and shall be appointed by the Minister of Justice.

Chapter III

Bailiffs and Despatch Officials

Art. 71. The bailiffs are chosen from among those who have passed the prescribed examination or who are qualified to be bailiffs in other countries.

Matters relating to the examination for bailiffs shall be determined by the Minister of Justice.

Art. 72. The bailiffs and despatch officials shall be officials of the chienjen or weijen rank.

Art. 73. The bailiffs shall be appointed by the Minister of Justice, and the despatch officials by the presidents of the district courts having jurisdiction over the area in which the sub-district courts to which the said despatch officials are to belong are located.

Art. 74. The bailiffs and despatch officials shall discharge their duties within the jurisdictional areas of the district courts in which the sub-district courts to which they belong are located.

Art. 75. Matters relating to the conduct of business by bailiffs and despatch officials shall be determined by the Minister of Justice.

Chapter IV

Warders

Art. 76. The courts and procurators' office shall have warders.

The warders shall be officials of the weijen rank.

The warders shall be appointed by the president of the courts and heads of the procurator's offices to which they are to belong, with the exception of the warders of the sub-district procurators' offices, who shall be appointed by the president of the district court or head of the district procurator's office, within whose jurisdictional area the sub-district court or the sub-district procurator's office in question is located.

Art. 77. The warders conduct persons concerned with law suits, by order of the judges, procurators, and clerks; they engage also in other business as determined by the Minister of Justice.

Art. 78. The warders may be ordered to attend to the despatch of documents. if the despatch officials are incapacitated or unavailable.

BOOK III

DISPOSAL OF JUDICIAL BUSINESS

Chapter I

Assignment of Duties and Substitution

Art. 79. The judicial year begins on January 1 and ends on December 31.

Art. 80. The disposition of the chairmen and members of divisions of the district court, the high court, and the supreme court shall be fixed beforehand for each year by the presidents of the respective courts in consultation with the vice-presidents and the chairmen of divisions.

Art. 81. The judicial business of a court shall be assigned, in accordance with Business Regulations, to each judge in the case of a sub-district court, to each division and each judge in the case of a district court, and to each division in the case of a high court and the supreme court.

The assignment of the business of a court, mentioned in the preceding paragraph, shall be fixed beforehand for each year: by the supervising judge in respect of a sub-district court; by the president of a district court in consultation with the vice-president, for the purpose of trying cases of first instance in that court; by the president of the same court (district court) in consultation with the vice-president and heads of divisions, for trying cases of second instance; while in respect of a high court and the supreme court, the assignment shall be made by the presidents of the respective courts in consultation with the vice-presidents and the chairmen of divisions.

Art. 82. When the assignment for a year has been made, it shall not be altered during the year, unless the apportionment comes to lack proportion or unless one or more judges become incapacitated, partially or entirely, owing to illness or other unavoidable circumstances.

Art. 83. When a judge of a sub-district court becomes incapacitated from discharging his duties owing to unavoidable circumstances, another judge of the court shall act as substitute.

The order of substitution shall be fixed beforehand for each year by the supervising judge.

Art. 84. If there is no judge to act as substitute in the case mentioned in the preceding Article, the president of the district court having jurisdiction over the area in which the sub-district court in question is located may order a judge of his court or of another sub-district court in the area under the jurisdiction of his court to act as substitute, after consultation with the vice-president.

Art. 85. If a judge of a district court is incapacitated from discharging his duties owing to unavoidable circumstances, another judge of the same court shall act as substitute.

The order of substitution, mentioned in the preceding paragraph, shall be fixed beforehand for each year by the president of the district court in consultation with the vice-president, for the purpose of trying cases of first instance; by the president in consultation with the vice-president and the chairmen of divisions, for trying cases of second instance.

Art. 86. If there is no judge to act as substitute in the case mentioned in the preceding Article, the president of the district court concerned may order a judge of a sub-district court in the jurisdictional area of the said district court to act as substitute, after consultation with the vice-president and the chairmen of divisions in conformity with the procedure prescribed by the second paragraph of the same Article.

Art. 87. If a judge of a high court is incapacitated from discharging his duties owing to unavoidable circumstances, another judge of the same court shall act as substitute.

The order of substitution referred to in the preceding paragraph shall be fixed beforehand for each year by the president in consultation with the vice-president and the chairmen of divisions.

Art. 88. If there is no judge to act as substitute in accordance with the provisions of the preceding Article, the president of the high court concerned may order a judge of a district court in the jurisdictional area of his court to act as substitute, after consultation with the vice-president and chairmen of divisions.

Article 89. If a judge of the supreme court is incapacitated from discharging his duties owing to unavoidable circumstances, another judge of the same court shall act as substitute.

As regards the substitution mentioned in the preceding paragraph, the president of the supreme court shall fix the order beforehand for each year, in consultation with the vice-president and the chairmen of divisions.

Art. 90. If there is no judge to act as substitute in accordance with the provisions of the preceding Article, the president of the supreme court may order a judge of a high court to act as substitute, after consultation with the vice-president and the chairmen of divisions.

Article 91. In case there are circumstances preventing a sub-district court from discharging its duties, partially or entirely, the Minister of Justice may order another sub-district court in the same jurisdictional area of a district court, in which the sub-district court in question is located, to act as substitute.

Art. 92. The duties of a procurator's office shall be distributed, in accordance with Business Regulation, by the supervising procurator to other procurators in the case of a sub-district office; while in respect of a district procurator's office, a high procurator's office, and the supreme procurator's office, the said duties shall be distributed by the heads of the respective offices, after consultation with the vice-heads.

Art. 93. After consultation with the vice-head, the head of a procurator's office may himself discharge the business of another procurator's office within the jurisdictional area of his office, or may order the vice-head of his office or other procurators within the same jurisdictional area to discharge such business.

Art. 94. The Business Regulations for Courts and Procurators' Offices shall be determined by the Minister of Justice.

Chapter II

Opening of the Court

Art. 95. Public trials shall be held in the courts and branch courts. In case there are special reasons, public trials may be held in other courts within the same jurisdictional area or in other places, with the sanction of the Minister of Justice.

Art. 96. Public trials shall not be held, unless a quorum of judges are present.

In case the president of a court deems it necessary, he may cause a judge additional to the regular membership of the court to assist in a trial, at the request of the judge presiding over the trial.

If a judge who is a regular member is incapacitated, the additional member in question shall be included in the regular membership until the close of the trial.

Art. 97. The decision to suspend the public conduct of a trial must be publicly announced, with reasons stated.

Even after the closing of the trial to the public, the president of the court concerned may allow or admit those persons he may consider proper, to witness the proceedings.

Art. 98. The presiding judge has the right to maintain order in the court while a trial is proceeding.

Art. 99. The presiding judge may deny admittance to those persons whose presence may injure the dignity of the court or disturb order in the court. He may also expel such persons from the court.

Art. 100. If the presiding judge deems it necessary for the purpose of maintaining order in the court, he is entitled to order those persons who have disturbed the trial or have made improper utterances and behavior, to be held in detention until the close of the proceedings.

Art. 101. When the public conduct of a trial has been suspended or when a certain person or persons have been denied admittance or expelled from the court in accordance with the provisions of Article 99, the facts as well as the reasons therefor shall be placed on the record of the proceedings. The same rule applies when a person or persons have been held in detention in accordance with Article 100.

Art. 102. The single judge who exercises the jurisdiction of a court shall have the same powers as those of the presiding judge defined in the second paragraph of Article 97 and the three articles from Article 98 to Article 100 inclusive.

Art. 103. When the judges, procurators, clerks, interpreters, and advocates conduct their duties in public trials, they must wear prescribed gowns.

Chapter III

Collegial Verdicts

Art. 104. In the case of collegial verdicts, the judgments to be rendered by the court shall be determined by majority opinion of judges forming a quorum, in conformity with the provisions of the present Act.

Art. 105. The presiding judge calls the collegium and presides over the deliberations.

Art. 106. In the sitting of the collegium, the expression of opinion shall begin with the junior judge and end with the presiding judge.

The judges cannot refuse to express their opinion.

Art. 107. If the judges are divided, in regard to a monetary amount, into three or more opinions, none of which represents the majority of the judges, the opinion proposing the highest amount shall be combined successively with the opinions proposing the next highest amounts, until the combined opinion comes to represent the majority of judges.

If in a criminal case the judges are divided into three or more opinions, none of which represent the majority of the judges, the opinion most unfavourable to the defendant or defendants shall be combined successively with opinions less unfavourable, until the combined opinion comes to represent the majority of the judges.

Art. 108. The consultations of the collegium shall be held in camera, but student judicial officers may be admitted to witness the deliberations.

The course of deliberations, opinions of individual judges, and number of judges taking different opinions shall neither be published nor disclosed.

Chapter IV

Collaboration in Judicial Business

Art. 109. The courts shall collaborate with one another in the discharge of their duties in accordance with provisions of law.

The request for collaboration shall be made, except where otherwise provided by law, to the sub-district court in the locality where the act of collaboration is to take place.

Art. 110. The procurators' offices shall collaborate with one another in the discharge of their duties, in conformity with the provisions of laws and ordinances.

Art. 111. The clerks, judicial police officers, and bailiffs shall collaborate with one another in the discharge of their business, in conformity with laws and ordinances.

BOOK IV

ADMINISTRATIVE SUPERVISION

Chapter I

Organs of Judicial Administration

Art. 112. The president of a court and the head of a procurator's office have charge of the administrative business of their respective court or office.

The senior president of a branch court, the senior head of a branch procurator's office and the chairman of a division of a court have charge of the administrative business of their respective branch court, office, or division.

The vice-president of a court and the vice-head of a procurator's office shall respectively assist the president of the court and the head of the procurator's office in the discharge of administrative business.

Art. 113. If the president of a court or the head of a procurator's office is incapacitated from discharging his duties, the vice-president or the vice-head shall act in place of the president or the head. If the vice-president or the vice-head is unavailable, the senior chairman of the divisions of the court or the senior procurator of the office shall be acting president or acting head.

If a supervising judge or supervising procurator is incapacitated, the senior judge or senior procurator shall act in place of either. If the single judge of a court or the single procurator of a procurator's office is incapacitated, the judge or the procurator who discharge the judicial business of either shall also discharge the administrative business.

If the senior president of a branch court, the senior head of a branch procurators office or the chairman of a division of a court is incapacitated, the president, procurator, or judge next in order of seniority shall be acting senior president, acting senior head, or acting chairman.

Art. 114. Those who are in charge of administrative business must submit opinions concerning administrative organization, judicial administration, and other matters, and present material connected therewith, if ordered or consulted by the Minister of Justice or other supervising authorities.

Chapter II

Exercise of Supervisory Authority

Art. 115. The administrative supervisory authority must be exercised in conformity with the following provisions:

1. The Minister of Justice supervises all the courts and procurators' offices;

2. The president of the supreme court supervises the same court; the head of the supreme procurator's office the same office and inferior procurators' offices;
3. The president of a high court supervises the same court, its branches, and the inferior courts within the area under its jurisdiction; the head of a high procurator's office the same office, its branches, and the inferior procurators' offices within the area under its jurisdiction;
4. The president of a district court supervises the same court, its branches, and the sub-district courts within the area under its jurisdiction; the head of a district procurator's office the same offices, it branches, and the sub-district procurators' offices within the area under its jurisdiction;
5. The supervising judge or the single judge of a sub-district court supervises the same court; the supervising procurator or the single procurator of a sub-district procurator's office the same office.

Art. 116. The judicial police, as well as other personnel exercising the function of judicial police in accordance with laws and ordinances, are subject to the supervision of the Minister of Justice and the procurators' offices concerned.

Art. 117. The supervising officer shall warn those who neglect their official duties and whose behavior is unsatisfactory to mend their ways. Before giving a warning, however, the supervising officer must allow those concerned to explain themselves.

Art. 118. The warning mentioned in the preceding Article shall neither affect nor prevent the institution of a disciplinary action.

Art. 119. In case the parties concerned hold any disposal of judicial business as improper, such parties may report the matter to the Minister of Justice to have his supervising authority put in action, provided that there are no relevant provisions in the Procedure Codes and other laws and ordinances, laying down the method of appeal in such case.

Art. 120. The administrative supervisory authority shall not be exercised in any manner whatever to interfere in the trial or to influence the verdict of judges.

Supplementary Provision

The date of the enforcement of the present Act shall be determined by Imperial ordinance. (The Act was enforced by such ordinance on July 1, 1936).

CHAPTER XIV

LAND DEVELOPMENT

Japanese Settlers

The question of bringing about a mass colonization movement of Japanese into Manchoukuo has received keen attention since 1932. The major programme drawn up for this purpose calls for transplanting a total of five million Japanese colonists to Manchoukuo during a span of two decades. By the crystallization of this plan it is hoped to accelerate the exploitation of the agricultural and industrial resources of Manchoukuo, as well as in lessening to some extent the population question of Japan proper.

The foundation of the 20 year project lies in the following points:

1. In the coming twenty years the population of Manchoukuo will, it is estimated, increase to 50,000,000, of which 10 per cent should be Japanese settlers and their family members 5 million persons with one million households their transfer beginning 1937.
2. About half of the Japanese farming households for cultivating less than 5 "tan" (some one acre), constituting 35 per cent of the total Japanese farming households, 5,600,000, are to be transferred to Manchoukuo.

The present plan is to divide the one million households into two batches of 500,000 each, one as a settlement corps and the other as less closely knit settlement organizations. The twenty years are to be divided into four periods. In the first period of five years, 100,000 households are to be transferred, and desiring the following three periods of five years each, this number will be increased by 100,000 households each year.

In line with this mass transfer of settlers, adjustment of land and other facilities in Manchoukuo have been undertaken and plans to divide villages in Japan have been rationalized. In order to execute this policy, the Manchu Development Corporation was created in June, 1937, and the Manchu Development Commission was established as a supervisory organ.

Following the regular transfer of group and collective settlers the system has been further reinforced by the creation of the Youth Volunteer Corps or apprentice settlers' corps. The necessity of dispatching large numbers of youthful pioneers of good qualifications suitable for cultivating the Manchurian plains had been felt early. Part of such young apprentice settlers had been trained at Jaoho in Sankiang Province on a small scale, but following the outbreak of the China Incident the training has been executed with greater thoroughness by the sending of 300 members of the projected youth corps as the vanguard to Ilaha, Peian Province in November, 1937, while the following year 15,000 youths destined for future farming settlements were admitted into five training stations, including the one at Ilaha. In 1939, some 10,000 youths of both Japanese and Manchu nationalities were mobilized as labour service corps for increasing the supply of food and fodder, with the ultimate purpose of accelerating the construction of national defence and reclamation, by extending the spirit of East Asia rehabilitation. Thus the system of labour service in the settlements has been organized.

The completion of the plan for transferring one million farming households and the organization of volunteer service corps have smoothened the execution of the settlement policy, in line with the progress reconstruction of the East Asia in connection with the progress of the China Affair and the industrial development of Manchoukuo. Considering the result of the abolition of extrality and the actual achievements of the settlement policy, the need has arisen for mature consideration of the past facilities and provisions for adjusting the structure, and institutions for the execution of this policy as the propelling force of East Asia rehabilitation concrete plans have thus been formulated for matters requiring cooperation between Japan and Manchoukuo and defining their respective provinces of activities. These plans were announced as the platform of the Manchoukuo development policy after Cabinet sanction in the two States December 22, 1939, to be executed starting from the 26th centenary of the Japanese Empire. The platform covers the settlement land system, the administration of settlements, the economic structure of these settlements, supervision of volunteer youth settlers and replenishment of the establishments

related to settlement, thus forming a solid basis for the execution of the settlement policy.

Thus the settlement policy founded on the efforts of countless pioneers and the blood of martyrs has become the highest policy for the Japanese nation's eternal growth and development. At present there are 51 collective settlers corps composed of 18,000 households with a total population of 48,000. There are 170 group settlers comprising 3,700 households of 7,700 members. Moreover, there are forestry and tobacco growing settlers in 520 households, and 23 railway guards villages of 1,500 members, and 40,000 members of the volunteer youth corps. In addition to this, medium and minor enterprisers and merchants, who have gone out of business as the result of the sweeping economic reform in Japan are coming over to this country. The construction of East Asia depends much upon the success of the settlement policy, which has gained paramount importance.

Table 1. TWENTY-YEAR PLAN FOR IMPLANTING 1,000,000 JAPANESE FAMILIES (5,000,000 PERSONS) IN MANCHOUKUO

	Group (Households)	Collective (Households)	Total (Households)	Youth Volunteers (Persons)
1st stage: 1937-1941	70,000	30,000	100,000	120,000
2nd stage: 1942-1946	120,000	80,000	200,000	200,000
3rd stage: 1947-1951	140,000	160,000	300,000	300,000
4th stage: 1952-1956	170,000	230,000	400,000	400,000
Grand total ...	500,000	500,000	1,000,000	1,000,000

Note: "Group" settlers are formed by the Government of the emigrating country, consisting of 200 to 300 households, while "Collective" is formed of independent settlers usually of over ten households.

The authorities in charge are of the opinion that these five million Japanese immigrants can be settled comfortably and lucratively on Manchuria soil. Whether a larger number of Japanese farmers can obtain similar accommodations is still open to discussion since it is believed that there is a definite limit to the area of suitable farming lands obtainable. At present the governments of Manchoukuo and Japan are extending assistance to the Japanese settlers in various ways, such as in the granting of subsidies in such forms as furnishing transportation fares, in making advances for the acquirement of living quarters and farming implements, and in purchasing agricultural produce from such settlers at an attractive price.

Table 2. PER HOUSEHOLD GOVERNMENT SUBSIDY

(As revised since 1940)

Kind:	Scale of group (Households)	For Equipments (M¥)	Supplementary Subsidy (M¥)	Travelling Expenses (M¥)	Total (M¥)
Group Settlers	300	891	30	240	1,161
Group Settlers	200	938	39	240	1,217
Collective Settlers ...	50	772	18	240	1,030
Free Settlers	—	400	—	200	600
Industrial Settlers ..	—	2,000	—	200	2,200
Other Settlers	—	—	—	200	200

The efforts of the Japanese settlers are being directed to the adoption of western agricultural methods and machinery, since it is impractical for the Japanese to compete economically against the native farmers using the same agricultural methods of the latter.

As regards competition from cheaper native labour, the Japanese farmers have yet to meet with any inconvenience and in fact, the lower standard of living of the Manchurians would seem to be advantageous as long as it lasts, since the Japanese farmer at present is more in the position of an employer than otherwise in his relations with native laborers.

The Manchurian Incident of September 1931 was an influential turning point in the history of Japanese immigration into Manchuria. The necessity for the encouragement of immigration into Manchuria was just as keen before the Incident as it was after, but due to the numerous dangers and obstacles such as the prohibition of land leases and obstruction placed by the Chang warlord regime, not to mention constant bandit threats, it was rather impossible for the Japanese Government to formulate plans

or policies for the promotion of immigration into Manchuria. Only sporadic and inconsistent immigration took place, and even this slow and negligible rate was subjected to the antagonistic attitude of the Chinese authorities, and confined primarily to the narrow Kwantung Leased Territory and the South Manchuria Railway Zone. Only three cases of immigration that took place within this period as a group can be named, the Aikawa Village immigrants, a group of army reserves, and a group encouraged by the Dairen Agricultural Company, but these, as it was the case with individual immigrants, ended in failure.

The greater part of the above immigrants were mainly inclined toward contract labour to meet the demands of capitalists rather than pure immigrants, and sought to settle down in commercial occupation in the urban districts, while those that emigrated to Manchuria after the Incident had uppermost in their minds the pursuit of their own occupation or to open farms, and were mainly agricultural people.

However, these immigrants and their motives offered much suggestion and working basis to well prepared large-scale immigration plans formulated after the Manchurian Incident.

Experimental Period (1932-1936). As a result of the Manchurian Incident the various obstacles brought to bear upon the Japanese, were effectively eradicated in 1931. The Japanese settlers were now entitled to hold land and to carry on commerce, and contrary to the previous situation, received much encouragement from the Manchoukuo Government, under whose efficient administration, peace, order and safety replaced the chaotic conditions prevalent in the past years. Consequently, the Overseas Ministry of the Japanese Government drew up definite plans in 1932 to promote the immigration of Japanese farmers into Manchuria seeking to send as many individuals or families that desired or were capable of cultivating farm lands. Great care was taken by the above authorities to pursue a different immigration policy than that followed heretofore in sending contract labourers or employees destined for settlement in the Kwantung Leased Territory or the South Manchuria Railway Zone.

Thus, the Overseas Ministry decided to carry out its initial experimental immigration programme which called for the sending of approximately 2,800 families in five stages during the years beginning with 1932 and ending in 1936. The results of this programme were carefully studied from all angles.

Simultaneous with the above programme, others were carried out, some of them being private affairs. The main ones included the immigrants of the Tenrikyo Sect, Tenshoen, and the railway guard settlements sponsored by the South Manchuria Railway's General Directorate of Railways.

Stage of Large-scale Settlements (1937—). The experimental immigration projects were generally successful. On one hand, the Government of Manchoukuo passed a law to protect and aid Japanese agricultural immigrants coming into the country. In 1935, the Manchuria Immigration Association was formed, and carried on advertisements, recruiting of prospective immigrants, and looked after preliminary training of the recruits. Then in the earlier part of 1936, the Manchuria Colonization Joint-stock Company capitalized at ¥15,000,000, was formally inaugurated, and authorized to handle immigration affairs in behalf of settlers such as negotiation for land leases, jurisdiction and distribution of land, to create establishments and institutions for immigrants, and to handle financial matters. Finally, in July of the same year, the Overseas Ministry in Tokyo adopted concrete plans to send a total of 1,000,000 families (5,000,000 persons) to Manchuria over a period of twenty years, as a result of careful deliberation in the Japanese Cabinet supported mainly by the success of the Fifth Experimental Immigration. According to this gigantic project, a total of 10,000 families will be sent during the first five years, or the first stage, and will begin with 6,000 families in 1937.

Since it was felt that the programme was too gigantic for the Manchuria Colonization Company to handle alone, another concern, the Manchuria Colonization Company capitalized at M¥50,000,000, a Japanese-Manchoukuo joint enterprise, was created at Hsinking on August 2, 1937, with the signing of the Japan-Manchoukuo Treaty concerning this company. This new Manchuria Colonization Company absorbed the old Company, and stood ready to meet all demands and attention necessary to facilitate and foster Japanese immigration into Manchuria.

For the past thirty years since 1905, the Japanese made diligent efforts, and met numerous hardships in their attempt to colonize Manchuria, but the main avenue of immigration into the land

of opportunities was not fully open to them until 1936, when a wholehearted policy was adopted and pursued. The bitter experience and sacrifices seen during these thirty years were certainly not made in vain.

Japanese Settlers before the Manchurian Incident

It was seen before that Japanese immigration was confined to the Kwantung Leased Territory, and the railway zone. For this reason, it is quite appropriate to review the conditions in these regions before proceeding further.

Railway Guard Settlers. Between the years 1914 and 1917, the South Manchuria Railway adopted plans to accommodate men retiring from the railway guard service, and permitted them to settle down in the railway areas for experimental purposes. Thirty families accepted this offer during the four years. Despite the conveniences and assistance given by the South Manchuria Railway, such as low rates on land leases, low cost of farmhouse construction, low prices of farm tools, and other agricultural conveniences, the results proved very discouraging, since many of the original settlers abandoned the settlements, leaving only seventeen families by 1933. Four reasons can be given as the cause of failure.

1. There were individuals in the group that dreamt of fabulous wealth, and cared little for farming.
2. Some leased their land to Chinese farmers and sought profits as landlords.
3. No systematized agriculture was practised.
4. Disregarding the conditions in Manchuria, the settlers sought luxuries in their economic life.

Settlers from Aikawa Village. People from the Aikawa Village were motivated to settle in Manchuria upon the encouragement of the Kwantung Government, when in 1918, it settled nineteen families on rice farms. The Government allotted land, houses, and agricultural implements to those that desired to settle, but due to (1) the lack of irrigation, (2) poor selection of settlers, and (3) the discouragement of the immigrants in that their first harvest was very poor, the results were anything but encouraging. Consequently, only three families out of the original nineteen remained, but in 1925, the Kwantung Government remedied the situation by building a reservoir, and brightened the prospects of paddy rice farming. However, the difficulties seen during the past decade were not completely removed, but in 1936, the Kwantung authorities set aside a sector of land for Japanese farmers, giving out land for the asking. The recipients sold part of the free land and liquidated their previous debts, and paved the way for a brighter future.

At the present time, there are 42 cho (one cho equivalent to 2.45 acres) of paddy rice fields, and 60 cho for other crops, while the yield for 1936 was 1,600 koku (one koku equivalent to 4.9629 bushels), and the number of families increased to seven. These seven families account for sixty-five individuals.

The Dairen Agricultural Company's Activities. The Dairen Agricultural Company was established in 1929 with a capital of ¥10,000,000 (¥5,000,000 paid up), to foster immigration into the Kwantung Leased Territory as one way to relieve the unemployment and food shortage problem in Japan. Its functions centered around the promotion and facilitation of immigrants as distribution of land, recruiting, guidance and instruction of settlers, etc. The entire capital of the Company was supplied by the South Manchuria Railway Company.

Plans at that time called for the distribution of 5,000 cho of land, 2,500 cho of which were cultivated land to be bought up from private owners, while the other 2,500 cho were government owned to be leased or given out, but as the result of investigations, it was found that there were not enough government land to be used for this purpose. In consequence, the area of private owned land was considerably increased. 500 families were to be accommodated in this plan. However, the bought up land at the present time totals 3,800 cho and the government land 700 cho or 4,500 cho in all, but only 74 families have taken advantage of the offer, a number far below the planned figure. The following are the reasons given for the cool popular attitude.

1. The relative high price of land.
2. Increasing liabilities after settlement.
3. Lack of spiritual cooperation among the settlers.
4. Difficulty in obtaining funds in Japan before immigrating, due to the financial troubles in Japan.

Under such circumstances, the necessity of studying immigration problems and possibilities was keenly felt, and consequently, recruiting of prospective immigrants was suspended for a time after 1932. Yet the total agricultural produce obtained in 1935 by Japanese immigrants were: cereals 1,954 koku, vegetables 895,000 kan (one kan equivalent to 8.28 pounds), and fruits 3,540 kan.

The East Asia Industrial Company. Aside from the above attempts, the East Asia Industrial Company (Toa Kangyo Kabushiki Kaisha) needs to be mentioned here. This company was established in the latter part of 1920 with a capital of ¥20,000,000 to conduct agricultural enterprises, recruiting and settling of immigrants, carrying out agricultural transactions, and financing. Its field of activities covered a wide area, but the oppressive tactics brought into play by the former Northeastern regime just before the Manchurian Incident proved so effective that the major part of its functions had to be abandoned. With the establishment of Manchoukuo, these hindrances were immediately removed, and the company again resumed its activities. However, the rice fields under its control are cultivated by Korean immigrants and fields for other crops by Manchus.

There were other private attempts made by Japanese individuals, but aside from the fruit farms in the Kwantung Leased Territory and the South Manchuria Railway Zone, all have ended in failure.

The development of new settlements is shown below:

Table 3. JAPANESE SETTLERS CLASSIFIED BY LOCALITIES
(1940 Nov.)

(A) Group Settlers

Districts:	No. of Groups	No. of Households	Population	Tilled Area (hectare)	No. of Live-stocks
Chiamussu	34	5,081	15,137	28,224	8,475
Antung	19	3,521	11,450	17,416	7,767
Mutankiang	10	756	1,497	1,993	552
Harbin	24	3,215	9,163	9,189	1,479
Tsitsihar	17	1,129	2,444	2,201	1,285
Peian	37	2,913	7,672	10,886	4,213
Kirin	10	1,334	3,201	3,011	1,116
Hsinking	—	—	—	—	—
Mukden	—	—	—	—	—
Total	151	17,949	50,564	72,920	24,887

(B) Collective Settlers

Districts:	No. of Groups	No. of Households	Population	Tilled Area (hectare)	No. of Live-stocks
Chiamussu	12	126	544	3,474	526
Antung	10	426	1,470	1,302	426
Mutankiang	10	314	1,007	1,380	237
Harbin	15	545	1,666	2,908	390
Tsitsihar	7	125	189	493	326
Peian	6	168	517	348	267
Kirin	29	1,019	2,977	3,831	1,081
Hsinking	8	212	531	532	63
Mukden	18	553	1,927	3,594	819
Ry. Protective Villages	23	409	1,444	4,523	670
Total	138	3,987	12,272	22,285	4,805
Total of A & B ..	289	21,936	62,836	95,205	29,692

Table 4. NUMBER OF CHOSENESE SETTLERS

	Group Settlers		Collective Settlers		Total incl. Others	
	Households	Persons	Households	Persons	Households	Persons
1937	0	0	2,478	12,951	2,478	12,951
1938	0	0	2,854	14,427	7,309	28,437
1939	0	0	4,981	26,861	7,595	36,631
1940	2,827	5,478	1,164	5,864	5,824	18,499
Total	2,827	5,478	11,851	60,103	23,563	96,518

Review of Colonization Work in 1940

A review of the colonization work in Manchoukuo in 1940 was made by Lieutenant-General Harushige Ninomiya, President of the Manchuria Development Corporation (Mantaku), the organ which is supervising this mission, in July 1941. The gist of his review follows:

1. Adjustment of land for settlement corps.

In the 1940 fiscal year the Manchuria Development Company acquired land covering 211,977.75 hectares. In investigating proper sites for settlements the Company cooperated with the Government in organizing 44 parties, which were dispatched to the localities in spring and autumn, to undertake investigations in 13 provinces in north and east Manchuria, particularly East, South and North Hsingan. Altogether 2.123,324 hectares divided into 193 areas were examined.

2. Construction in the settlements.

The 1940 fiscal year construction and subsidized works in the settlements were chiefly public works and buildings for the 6th, 7th, 8th and 9th settlement corps, besides preparations for settling the 10th settlement corps. The company subsidized the building of houses for 142 corps, thus completing 10,212 buildings for private, public and industrial uses, besides 534 buildings which were 60 per cent completed. Building of training instiutes was conducted at 64 places, where 668 buildings are to be completed as A. class institutes and 469 as B. class institutes. Besides these, 187 A. class and 1,956 B. class buildings have been completed.

As regards public works, over 90 areas, including 61 settlement corps, three training institutes and one special farm, 6,737 hectares of paddy-fields were prepared, and 458 hectares of land were improved, while roads were constructed to a length of 342 kilometres by the 7th and 8th settlement corps, and a survey was made over an area of 1,125,000 hectares. Out of 240 tractors, only 168 were operated owing to shortage of fuel for cultivating 83 sites covering 12,738 hectares and ploughing 29,547 hectares. Waterworks were constructed at 116 spots, 500 wells were sunk, six waterworks and 82 sewage projects were completed while 42 test holes were bored at 13 places. Fifteen telephones were installed.

3. Finance.

Total advances to settlers, which are yearly increasing, amount to 91,646,000 yuan. Out of these advances, general constructive funds comprised 37,956,400 yuan, and special advances 15,912,000 yuan. Of these advances 104,000 yuan in short-term loans, 9,472,000 yuan in general advances, and 6,166,000 yuan in special advances have been so far refunded. In the 1940 fiscal year greater efforts were paid to develop farming rather than building.

4. Subsidization work.

In order to expedite and rationalize the operation and construction of settlement corps, budget guiding parties were organized from among local agents for the benefit of all the corps, except those settled before the 5th settlement corps. The parties organized in the settlement districts pay a round of visit to several corps to guide the farms and settlers in farm management and increase of production. Fundamental investigations were made concerning farm management in the tenth settlement corps.

As regards cooperative unions in the settlements, only 15 unions and two federations of such unions were organized last year, but their number is expected to increase rapidly. Unity between the Mantaku and the federations will be maintained by organizing the staffs of the latter with employees of the Mantaku. In order to get numerical data of the development of the settlement corps, the company conducted statistical investigations of settlers' households, composition of the settlements, qualifications of the settlers and their products. Investigations concerning the economic condition of the earlier settlers were conducted to make them serve as data for guiding the later arrivals.

In agricultural guidance, the company has taken every conceivable measure in distributing fine seed, guiding the cultivation of various farm products, the use of improved farming equipment, elimination of harmful insects and the manufacturing and stocking of farm products. In the raising of livestock thorough preparations were made for the importation of Japanese horses to Manchuria in the second year of the program for importing such horses. Absolute self-supply of fodder and establishment of model stud farms were also considered. As to forestry work, guidance was given in the logging of timber for use in the settlements and in charcoal making. Effective measures were also taken to promote education, welfare, sanitation, mutual assistance and other cooperative enterprises in the settlements.

5. Supplies.

The total amount of supplies distributed among the settlement corps, training institutes, etc. reached 40,636,000 yuan, of which 13,717,000 yuan was allotted to the company. The supplies included building materials, farming implements and goods for consumption. In the distribution of these supplies, the Company has held fast to the iron policy of supplying good articles cheaply to the settlements, while recommending economy in the consumption of such articles.

6. Control of Land.

The total area of settlement land under Company control for this fiscal year amounted to some 440,000 hectares, a decrease by 130,000 hectares as compared with the preceding year's acreage of 570,000 hectares. Tenants numbered 86,000 households, and the company obtained a revenue of 11,588,000 yuan as against a control expenditure of 6,510,000 yuan, leaving a profit of 5,078,000 yuan, an increase by 1,207,000 yuan over the preceding year.

7. Volunteer Young Farmers' Corps.

The Training Headquarters of the Volunteer Youth Corps was created in Hsinking in April 1941 through the cooperation of land development authorities in Japan and Manchoukuo. The company undertook the management of 13 A. class training institutes and 21 others which were to be opened by the end of 1940, paying special attention to education on military and agricultural affairs. Out of these 34 training institutes, 22 are expected to become full-fledged as volunteers' settlement corps, in the 1941 fiscal year.

The Second Five-year Land Development Plan (1942-47)

The second five-year plan for the development of Manchoukuo was made public by the Board of Information of Japan on 6th January, 1942 following submission of the report to the Throne by Agriculture and Forestry Minister Hiroya Ino, concurrently Overseas Minister, as it was adopted at the day's Cabinet meeting.

According to the announcement made by the Board of Information, the second five-year plan starts from the 1942-43 fiscal year and terminates in the 1947-48 fiscal year. With the outbreak of the War of Greater East Asia this plan has been given a very important nature on the basis of the following five reasons:

1. The plan is absolutely indispensable for attainment of racial concordia in Manchoukuo.
2. The plan is made considerably necessary, when the defense of the north must be strengthened more than ever before with the development of the War of Greater East Asia.
3. Manchoukuo is considered as the most fit place as a base for fostering man resources.
4. Increase of agricultural population is very important through Japan and Manchoukuo.
5. Securing of foodstuffs by means of their production increase throughout Japan and Manchoukuo has become highly important.

The new plan calls for the sending of 220,000 farming families from Japan to Manchoukuo during the five years. During the period of the first-year plan, which will end on March 31, 1942.

Japan sent 80,000 families. This number was 20,000 families less than the original plan. In addition, 130,000 boy volunteers also will be sent there during the coming five years.

For execution of the second five-year plan Japan and Manchoukuo will mobilize all necessary organs to encourage emigration of farmers to Manchoukuo. Spiritual, social and economic ties will be maintained closely between mother villages in Japan and branch villages in Manchoukuo and between Japanese prefectures and Manchoukuo provinces, thereby intending to make the plan successful all the way through.

Efforts also will be made for enlarging and perfecting various organs in Japan for training young women, who are destined to become wives of Japanese colonizers. Training of colonizers' leaders also will be made on a larger scale. Capitalization of the Manchoukuo Colonization Company, which mainly looks after the colonization business, will be increased with the progress of the enterprise through appropriate efforts of both the Japanese and Manchoukuo Governments.

The following announcement was issued by the Manchoukuo Embassy in Tokyo regarding the second five-year plan:

"It is a source of mutual congratulations that the second five-year plan for the development of Manchoukuo has been decided, as a result of perfect agreement of opinion between the Japanese and Manchoukuo Governments. Manchoukuo already provides a series of fundamental laws with regard to the settlement and fostering of Japanese colonizers, leaving no stone unturned for the execution of the colonization at present and in the future. Manchoukuo has been doing its unusual efforts for the fulfilment of its great mission for securing supply of foodstuffs of East Asia, thereby directly contributing to the construction of a new order in this part of the world. It is earnestly hoped the Japanese Government and people cooperate closely with Manchoukuo for the execution of colonization policy."

CHAPTER XV

AGRICULTURE

The economy of Manchoukuo is still based on agriculture, despite the striking progress of industries. The population of the country, which now reaches over 43,000,000 is agricultural to the extent of 74 per cent., and about 70 per cent. of the country's total exports are agricultural products. The arable area of Manchoukuo is larger than that of Canada or Argentina and is next only to that of the United States, British India, the Soviet Union and China. Of the cultivable area amounting to some 32,000,000 hectares, about 14,000,000 hectares or approximately 44% of this area has so far been brought under cultivation, the remainder being still untouched.

Table 1. UTILIZATION OF LAND

(Unit: 1,000 hectares)

Arable Land			31,696	34%
Cultivated	13,940	(44%)		
Not yet Cultivated	17,756	(56%)		
Unarable Land			60,801	66%
Forest Zone	21,651	(36%)		
Others	39,150	(64%)		
Total Area			~~29,499~~	100%
			92,497	?

With respect to the distribution of agricultural area, South Manchuria, with the exception of the upper reaches of the rivers and the parts adjacent to Mongolia is fairly well cultivated and penetrated, particularly the rich Liao Valley. Central Manchuria, watered by the Hurka River and the upper and middle reaches of the Sungari River is probably the best agricultural region of Manchuria but so far only half of this arable land has been brought under cultivation. North Manchuria, the fertile valley plains drained by the lower Sungari and the Nonni and the Amur Rivers, is generally rich in soil and largely virgin, but is only cultivated to the extent of one-third of its potential possibilities.

Agriculture in Manchuria was originally started by Chinese settlers who came from Shantung and Chihli, and was first developed in the basin of the Liao River. The Sungari River basin was brought under cultivation at a much later date. The eastern part of Manchuria, adjacent to Korea, was developed by Korean settlers, and especially rice cultivation in that region has been since carried on for the greater part of Koreans.

Dry farming is the outstanding feature of Manchurian agriculture. This method has been mastered by the rural populace through several hundred years of experience. At present there are districts where crops are planted in rotation and domestic animals are used or cultivation. When the cultivation of improved agricultural products and the employment of advanced farming technique become widely diffused among the farming population along with the development of uncultivated lands and the increase of crops, it is expected that Manchoukuo will be able to increase its present production considerably.

Agricultural Products. Some forty different kinds of agricultural products are cultivated in Manchuria and their geographic distribution is clearly marked by natural factors. The principal products are beans, kaoliang, millet, maize, wheat, raw cotton, fruit and paddy rice. Beans are produced in Kirin, Pinkiang, Lungkiang, Sankiang, Fengtien and Antung Provinces; kaoliang is widely cultivated but most extensively in Fengtien and Kirin Provinces, while millet is grown in almost all parts of the country under cultivation, with the exception of Jehol Province. Maize is cultivated on farm lands in Pinkiang, Fengtien and Antung Provinces, wheat in North Manchuria centering on Pinkiang, Sankiang and Lungkiang Provinces, and raw cotton in the southeastern part of the country centering on Liaochung and Haicheng, and in various "hsien" (prefectures) centering on Taonan. Fruit is grown in districts along the S.M.R. main line south of Mukden, and in the Kwantung Territoy,r while paddy rice is cultivated in Chientao Province, districts along the Mutan, Sungari, Hun and Liao rivers and along the Antung-Mukden Railway. Besides these crops, barley, oats, buckwheat, "hiye", barn-yard grass, flax, perilla seeds and upland rice are cultivated chiefly in North Manchuria.

Manchoukuo Government's Basic Policy for Agricultural Development

On April 21, 1936 the Manchoukuo Government announced a fundamental policy for the exploitation of the country's inexhaustible agricultural resources. The policy is the outcome of lengthy and careful consultation among the Department of Industry, the Interior and Mongolia Administration which have been in close association with the commercial and industrial possibilities of the State.

The policy is designed to improve the existing out-of-date and primitive methods of agriculture along modern lines and to multiply the output of soya beans, kaoliang, cotton and other staple farm products. It also provides for extensive reforms and renovations in credit and other public facilities for the farming population, including inter alia, the erection in various localities of farm warehouses. Many elaborate and concrete programmes are also laid down in regard to the policy for the general improvement of farming methods, which, it is stated, will be enforced one by one.

The utmost importance is attached to the announced policy, in view of the fact that Manchuria fundamentally is a land of agriculture, over 80 per cent. of its population being represented by farmers. It is believed that the enforcement of the policy will reshape the country so far as its agriculture is concerned. The following are the chief programmes put forward by the Government, which relate to the country's staple farm products:

1) Soya-beans: The growing of soya-beans should be properly controlled according to their actual demand both at home and abroad. For the time being, efforts should be directed towards the improvements of the methods for soya-bean cultivation and quality of the crop, while trying to lower its production cost and commercialize the bean as a commodity.

2) Kaoliang, millet and maize: The output of kaoliang, millet and maize should be increased by considering the growing demand for them as foodstuffs arising from a steady increase in the national population, their use as fodder in Japan and also the domestic consumption of these products as industrial materials.

3) Wheat: Particular efforts should be exerted to improve and encourage wheat cultivation in North Manchuria. The total future wheat acreage should be increased to 2,300,000 Japanese cho (5,635,000 acres) and the total output of the crop to 20,000,000 Japanese koku (99,200,000 bushels).

4) Cotton: The total cotton acreage should be increased to 300,000 cho (735,000 acres) and the annual output of cotton of 150,000,000 kin (198,000,000 pounds).

5) Wild silk: Better silk worms should be distributed among the farmers while trying to improve the existing methods of raising them. The annual output of silk cocoons should be raised to 30,000,000.

6) Sugar beets: The total acreage under sugar beets in North Manchuria alone should be increased to 12,500 cho (30,625 acres) and the total yearly output of sugar beets to 500,000,000 lbs. so that 700,000 piculs of sugar may be produced to place the country on a self-sufficing basis as far as sugar production is concerned.

7) Plants for production of fabrics: Cultivation of kenafe particularly in South Manchuria should be encouraged with a view to increasing the total acreage of land for its growing and its annual output to 18,000 hectares and 18,500 metric tons respectively. The total acreage of farms for hemp growing also should be raised to 200,000 cho (490,000 acres). The output of other kinds of hemp for fabric manufacture is to be increased to suffice the domestic demand.

8) Perilla, peanut, sesame, etc.: Cultivation of these crops as materials for oil extraction should be encouraged and at the same time, efforts should be made to improve the methods of their growing.

9) Hop: In view of a brisk demand for hop in Japan, the total acreage of land under hop is to be raised to 30,000 hectares.

10) Fruits: Fruit growing particularly in South Manchuria, Chinchow and Jehol should be encouraged as a lucrative subsidiary occupation for the farmers.

11) Vegetables: Special efforts should be exerted to improve the quality of vegetables. At the same time competent storage facilities should be established to facilitate their distribution.

The erection of farm warehouses in the farming districts is also provided for in the policy. These warehouses are designed not only to store farm products but also to function as credit organs for the farmers in need of fruits. It is explained that any farmer will be able easily to borrow money at low rates of interest on the security of his products stored in the warehouses. This method, it is believed, will go a long way towards relieving the farming population from the depression.

The creation of agricultural meteorological observatories in important districts and "model" villages and despatch of agricultural experts to various parts of the country to give counsel to the farmers are also stipulated in the policy.

New State-owned Experimental Farms Planned

In connection with the fundamental policy for agricultural development enumerated above, the Department of Industry of Manchoukuo announced its decision to establish many more State-owned experimental farm stations throughout the whole country. The officials of the Department of Industry declared in this connection that the necessity had been brought home to them of creating State-owned experimental farm stations in various districts to help improve farming methods and the quality of farm produce. According to the announcement, the country will be divided into 18 farm districts for the sake of convenience, in each of which one State-owned farm station is to be created.

Another novel plan to introduce the use of windmills into Manchoukuo for irrigation purposes has also been revealed by the Department of Industry. In view of the fact that there are many agrarian districts where competent irrigation facilities are lacking, the Department's experts, after a careful study, have determined that the use of windmills as in Holland is most advisable and profitable.

It is believed that the use of the windmill will be a great blessing to the farmers particularly those who are engaged in live-stock raising in the districts lacking constant sources of water supply, because subterranean water will be made available through the use of the windmill.

Farm Improvement Embodied in Five-year Industrial Development Plan

As one of the principal projects contained in the five-year industrial development plan, which was formally put into operation on January 1, 1937, the Department of Industry has announced a comprehensive programme for the improvement of agriculture and live-stock farming throughout the country. Under this programme an important reform in farm administration is planned. Efforts will be made by the Department especially to facilitate the organization of farmers' guilds in all agrarian districts. The creation of many model farm villages, as mentioned in the programme announced in 1936, is provided for.

Regarding the improvement of agriculture, attention is to be paid by the Department to the question of increasing the country's output especially of wheat, rice, rye, maize and hemp through the introduction of better seeds and a substantial expansion of areas under cultivation.

A new experimental farm is to be established in Harbin while those already maintained at Koshan and Chiamussu will be enlarged. As regards live-stock farming, officials will be despatched to the United States and Australia to purchase 1,000 heads of Merino and Corriedale sheep.

Further, another sheep-breeding farm under State management is to be newly opened in addition to four already in operation Improvement of facilities for the prevention of animal epidemics is also on the tapis with an animal epidemic prevention law scheduled to be promulgated shortly.

Table 4. AREA UNDER VARIOUS CROPS

(In 1,000 hectares)

	Soya Beans	Other Beans	Kaoliang	Millet	Maize	Wheat	Rice	Upland rice	Other cereals	Total incl- others
1925	2,691	303	2,532	1,902	1,107	881	94	111	694	10,314
1926	3,349	438	2,401	1,926	1,177	896	111	120	777	11,196
1927	3,559	448	2,674	2,115	1,083	1,139	126	117	813	12,070
1928	3,760	474	2,916	2,184	1,068	1,317	83	101	1,169	13,072
1929	4,017	401	2,988	2,148	937	1,299	89	112	1,051	13,042
1930	4,153	407	3,056	2,227	957	1,382	99	109	1,096	13,486
1931	4,235	367	3,004	2,351	1,086	1,588	83	119	1,242	14,315
1932	4,144	375	2,710	2,272	1,112	1,488	67	107	1,212	13,486
1933	3,879	301	2,661	2,157	980	1,395	63	105	1,124	12,665
1934	3,273	322	2,706	2,170	1,123	826	101	102	1,273	11,897
1935	3,303	347	2,855	2,458	1,254	993	121	114	977	12,422
1936	3,468	379	2,994	2,555	1,313	1,094	175	114	983	13,076
1937	3,591	376	3,046	2,613	1,419	1,216	211	105	1,037	13,613
1938	3,869	397	3,224	2,935	1,534	1,288	258	101	1,071	14,679
1939	4,157	522	3,929	3,690	2,007	1,282	286	104	1,705	17,680
1940	3,825	523	4,107	3,902	2,301	1,022	430		1,766	17,876

Note: Statistics from 1934 are the investigation of the Dept. of Industry.

Table 5. OUTPUT OF PRINCIPAL CROPS

(In 1,000 Metric tons)

	Soya Beans	Other Beans	Kaoliang	Millet	Maize	Wheat	Rice	Upland rice	Other cereals	Total incl. others
....	3,455	256	4,477	3,042	1,694	806	95	88	760	14,672
1925	4,188	334	4,710	3,137	1,888	962	193	150	891	16,453
1926	4,790	523	4,550	2,982	1,774	969	181	134	829	16,731
1927	4,835	580	4,605	3,226	1,803	1,446	149	147	1,018	17,810
1928	4,852	622	4,643	3,290	1,853	1,471	151	145	1,271	18,298
1929	4,865	550	4,712	3,374	1,733	1,303	138	157	1,601	18,434
1930	5,318	519	4,818	3,304	1,719	1,538	156 314	158	1,730	19,080
1931	5,245	462	4,533	2,983	1,833	1,582	161	163	1,862	18,829
1932	4,288	456	3,757	2,635	1,687	1,134	112	138	1,561	15,764
1933	4,601	304	4,022	3,184	1,759	651	166	143	1,804	16,847
1934	3,398	277	3,470	2,123	1,503	643	200	126	1,046	12,787
1935	3,859	327	4,103	2,968	1,903	1,015	296	147	1,106	15,725
1936	4,147	341	4,241	3,187	2,072	959	442	155	1,093	16,638
1937	3,832	298	3,673	2,945	2,082	903	527	111	965	15,480
1938	4,091	342	4,642	3,518	2,476	964	712	101	1,370	18,328
1939	3,956	344	4,619	3,527	2,464	949	696	95	1,294	17,943
1940	3,799	378	4,739	3,898	3,071	871	648		1,370	18,774
Of which:										
Hsinking	7	—	7	4	1	—	--	—	1	19
Kirin	971	72	780	637	432	73	155	31	242	3,392
Lungkiang .	358	26	307	367	265	82	5	—	132	541

(Continued)	Soya Beans	Other Beans	Kaoliang	Millet	Maize	Wheat	Rice	Upland rice	Other cereals	Total incl. others
Peian	545	13	198	409	224	339	45	—	115	1,867
Heiho	4	—	—	2	3	8	1	—	9	28
Sankiang ...	218	5	88	111	137	109	31	—	17	716
Tungan	62	3	21	22	24	14	35	—	7	188
Mutankiang .	50	2	5	24	24	28	50	—	3	186
Pinkiang ...	675	40	594	611	486	23	77	7	144	2,856
Chientao ...	91	6	8	53	30	1	63	—	22	275
Tunghua	71	7	52	24	92	7	37	2	10	301
Antung	60	12	41	22	189	6	56	4	28	412
Fengtien ...	539	68	1,260	372	358	35	130	48	128	2,939
Chinchow ...	117	34	662	220	101	7	20	3	60	1,223
Jehol	78	30	297	390	22	4	3	1	135	960
Hsingan W. .	13	6	78	41	8	6	1	—	92	288
,, S. .	72	20	219	157	49	—	4	—	117	637
,, E. .	25	1	4	17	21	6	2	—	26	102
,, N. .	—	—	—	—	—	8	—	—	7	15
Total	3,956	344	4,619	3,527	2,464	949	696	95	1,294	17,943

Note: Figures of each province are that of 1939.

Soya Beans

This crop is to Manchuria what raw silk is to Japan. Approximately one-fifth of all cultivated land in Manchuria is used in raising soya beans. The annual yield amounts to 4,000,000 m. tons and accounts for about 60% of the world's total soya bean production. Sales of soya beans abroad amounts to 300,000,000 yuan or over half the total export of the country. This crop is raised throughout the country but the South Manchurian beans are better in quality although North Manchuria leads in quantity of production. There are more than 200 varieties of Manchurian soya beans ordinarily designated by the general distinction of yellow, blue and black, of which the first is most popular. The bulk of the soya bean is exported to foreign markets, principally to Japan, China and Europe and are generally used for extracting oil, while the bean cakes are used as fertilizer and fodder.

When the available area for this crop is fully under cultivation, the output is expected to rise to 8,000,000 tons. The international importance of the soya bean is due not merely to its use as foodstuffs or for its oil, but also their value as material for albumen and artificial wool industries. The present condition of the bean industry, particularly of the albumen branch, and the

progress of the artificial wool industry using bean casein as material are sufficient indications in this direction.

Soya bean cakes, after complete removal of water, contain 50 per cent. albumen, which being similar to casein, is valuable as a casein substitute. It was first used as an aqueous paint for internal decoration. Non-inflammable celluloid made from casein, through the action of formalin, is widely used as material for buttons, combs, parasol handles and telephone apparatus, besides supplying the material for making window frames, etc. of automobiles.

Kaoliang

Kaoliang is the staple food of the natives with an annual yield of 4,600,000 metric tons. The seeds are used for food, animal feed, brewing and as raw material for dextrin. Unlike soya beans, kaoliang is almost entirely consumed as the daily foodstuff of the people and therefore its demand is not influenced by conditions in foreign countries as in the case of soya beans. Kaoliang is cultivated in all parts of the country because it has a very strong resistance power to alkaline soil besides being deep rooted. It withstands dryness. The southern part of Fengtien Province and Chinchow Province are the chief producers of this crop. The stalks are indispensable to the farmers because they are used as fuel and also for thatching the roofs and making the walls of their houses. The stalks are cut open and their outer skin removed to make matting. There is also a possibility in using the kaoliang stalks in the pulp industry. The principle centers of kaoliang trade are Hsinking, Kaiyuan, Fanchiatun, Ssupingkai, Kungchuling, Kuochiatien, and Liaoyang.

Maize. Maize is an important foodstuff in Manchoukuo. In South Manchuria it is generally milled for food while in North Manchuria it is used as materials for alcoholic beverages. The stalks are used as fuel while the leaves are used for animal feed. Only a small quantity is produced in North Manchuria.

Upland Rice. Upland rice is the type of rice raised on dry farms and is used primarily as food by the Manchoukuoans. The quality is poor but it grows rapidly and suits the climate of Manchoukuo. The cultivated area is about 104,000 hectares and its annual production amounts to 95,000 metric tons.

Paddy Rice. Field rice cultivation was introduced throughout the country. At the present time, 286,000 hectares of land is being used as paddy rice fields from which 696,000 m. tons of rice are produced.

Millet. Millet constitutes one of the three principal crops in Manchoukuo, the others being soya beans and kaoliang. Approximately 3,500,000 of this crop is raised from 3,690,000 hectares. It is not only consumed as food but is also used for brewing purposes. Since it is one of the main foodstuffs of the Manchoukuoans its production is steadily increasing. Millet is very adapted to the Manchoukuo climate and stands dryness in addition to possessing strong resistance to alkaline soil. A comparatively small quantity of millet is exported to Korea where the natives sell the rice they produce at high prices and buy as their food Manchurian millet which is cheaper and more suitable to their taste than rice.

Castor. Approximately 20,000 metric tons is raised annually from an area of 90,000 chobu of land. The beans are utilized for the manufacture of castor oil, and lubrication oil for medical purposes.

Flax. Flax cultivation is rather new to the country and therefore only 10,000 chobu are used for this purpose. North Manchoukuo is most suitable for this crop and it is believed that this section of the country will become one of the world's leading flax producing centers since the tensile strength of flax thread is the greatest among the threads produced from plant material. The demand for flax seed for the production of linseed oil is also great. Particularly, the development of flax raising industry has made remarkable strides in recent years with the realization of the importance of this crop for the spinning industry.

Peanut

Epochal progress has been made of late in the growing of peanuts in Manchuria, particularly in the Kwantung Leased Territory. This is largely responsible for the fact that peanut cultivation requires no fertilizer and yet is quote profitable. As a matter of fact, the peanut has come to rank among the principal items of Manchurian farm produce for exportation. For instance, more than 80 per cent. of the output in the Kwantung Leased Territory is shipped abroad. In order to ensure the smooth progress of peanut exports, peanut growers' associations were created at Pulantien and Pitzuwo in the Territory in 1929 which are designed to conduct strict examinations of peanut exports on the one hand and, on the other, to function as a credit organ of the growers themselves. Since 1930, the Government of the Kwantung Leased Territory has been subsidizing these associations. It is believed that peanut cultivation will grow more popular in Manchuria in the near future.

Sugar-beet

The first cultivation of sugar-beets for manufacturing purposes which was started by Manchurian farmers near Suchiatun, Shenyang prefecture, met with good results, thus giving the possibility of adding another product to native husbandry with the hope that it might become in future an important item in the list of Manchurian crops.

Though the experimental cultivation of sugar-beets, which was started in 1914 by the S.M.R. Agricultural Station at Kungchuling, proved that the percentage of sugar content in local beets and also the production area in the country were promising for manufacturing purposes, much difficulty has been experienced in persuading the Manchurian farmers to see the commercial value of sugar-beets.

In 1936 the Manchurian Sugar Refining Company Ltd. (Manshu Seito) successors to the South Manchuria Sugar Manufacturing Company, succeeded in interesting the farmers and in encouraging sugar-beet production in 47 villages near Suchiatun, around which 463 hectares of beets were cultivated in the spring of 1936.

The total crop amounted to about 5,000,000 kin or about 10,000 kin per hectare, to the great satisfaction of both the promotors and cultivators. Shipments of sugar-beets to the company's plant, which started its operation in November, began in the middle of December, and the movement of beets to the Suchiatun station was active, amounting to about 220,000 kin per day.

Vegetables

Generally speaking, vegetables are grown in Manchuria primarily to be consumed by the farmers themselves. Under the circumstances, they are marketed as commodities only in densely populated cities and towns along the railways. Among the principal vegetables produced in Manchuria are: mad-apple; rapes; leek; garlic; yam; potato; sweet potato; pumpkin; water-melon; cucumber; musk-melon; green peas; red beans; onions; turnip; spinach; burdock; pepper.

Vegetables are grown on usual farms and specially built gardens, the latter being drained or irrigated. Mad-apple, onion, turnip, burdock, rape, potato, pepper, pumpkin and musk-melon are the principal ones grown on usual farms, while irrigated vegetable gardens are generally confined to the growing of water-burdock, garlic, cucumber, beans and yam. Drained gardens are used chiefly for the raising of mad-apple, white-rape, garlic, pepper, pumpkin and spinach.

Apples

The cultivation of apples has made rapid progress in a short period of time. In 1916-17, the area devoted to this purpose was no more than several hundred acres, but the orchard area increased to 4,800 acres in 1927 and to 14.000 acres in 1936. The climate of Manchuria is well suited to apples, and the cultivation is economically profitable. The cultivation is, however, limited to the areas south of Anshan. The output in Kwantung Territory is three or four times that for all Manchoukuo. The value of apple output in 1935 was ¥1,569,700. Imports amounted to ¥612,000.

Table 6. PRINCIPAL INDUSTRIAL CROPS

(Unit: In metric tons)

	Cotton	Tobacco		Jute	Hemp for	
		Native	Improved		Fibre	Seed
1935	36,875	17,268	3,997			
1936	—	—	—	—	10,374	—
1937	63,901	3,577	—	—	—	—
1938	51,354	11,496	—	—	8,976	—
1939	68,840	17,062	5,797	10,937	12,396	30,045
1939:			14,247	11,818	14,606	51,520
Hsinking	—	—	—	2	1	2
Kirin	—	7,934	241	1,575	3,187	5,925
Lungkiang	—	197	—	481	854	4,903

(Continued)	Cotton	Tobacco		Jute	Hemp for	
		Native	Improved		Fibre	Seed
Peian	—	947	2	112	2,055	11,578
Heiho	—	8	—	—	16	—
Sankiang	—	285	81	226	461	142
Tungan	—	43	20	55	226	3
Mutankiang	—	195	—	17	54	—
Pinkiang	—	1,889	—	326	2,054	18,269
Chientao	—	665	796	56	236	26
Tunghua	2	553	39	23	901	51
Antung	37	263	3,528	263	624	31
Fengtien	38,719	1,357	7,752	6,203	2,424	1,636
Chinchow	27,819	394	1,510	988	159	316
Jehol	2,257	1,606	264	188	1,112	3,762
Hsingan W.	—	447	—	78	941	1,016
" S.	5	257	14	999	236	3,814
" E.	—	22	—	18	65	48
" N.	—	—	—	—	—	—
Total	68,840	17,062	14,247	11,818	14,606	51,520

(Continued)	Flax	Perilla seeds	Castor seeds	Sesamum	Beet
1935	5,801	207,935	17,070	14,997	—
1936	—	—	—	—	—
1937	—	—	—	—	—
1938	29,056	111,337	9,637	9,125	183,586
1939	48,657	65,402	25,021	20,261	241,841
1939:					
Hsinking	11	4	—	—	749
Kirin	1,930	5,509	851	1,034	63,766
Lungkiang	387	12,821	1,083	1,490	—
Peian	18,786	31,125	24	188	8,494
Heiho	—	—	—	—	—
Sankiang	1,513	388	60	65	—
Tungan	72	106	5	2	6
Mutankiang	7,530	37	—	15	—
Pinkiang	17,177	10,076	151	2,399	117,168
Chientao	1,169	142	—	40	—
Tunghua	62	951	11	109	54
Antung	4	39	13	82	—
Fengtien	—	2,726	5,546	5,831	51,175
Chinchow	—	417	4,880	6,131	—
Jehol	—	750	1,057	355	—
Hsingan W.	—	16	608	399	—
" S.	16	245	10,732	2,123	429
" E.	—	50	—	—	—
" N.	—	—	—	—	—
Total	48,657	65,402	25,021	20,261	241,841

(Continued)

	Potatoes	Fruits	Vegetables	Lucerne
1935	—	—	—	—
1936	—	—	—	—
1937	—	—	—	—
1938	1,384,442	671	381,433	4,510
1939	1,753,725	814	694,689	5,100
1939:				
Hsinking	2,347	—	4,307	—
Kirin	329,130	—	312,526	2,305
Lungkiang	137,185	—	—	—
Peian	299,851	—	—	—
Heiho	3,607	—	4,307	—
Sankiang	81,369	—	—	—
Tungan	17,752	—	—	—
Mutankiang	19,185	—	—	—
Pinkiang	323,043	—	—	—
Chientao	142,665	738	17,615	—
Tunghua	29,912	—	25,703	190
Antung	56,318	—	—	975
Fengtien	127,599	33	299,362	—
Chinchow	15,137	—	—	1,249
Jehol	109,395	—	—	—
Hsingan W.	16,191	—	14,766	118
„ S.	12,727	43	7,731	203
„ E.	29,330	—	7,039	30
„ N.	982	—	1,333	—
Total	1,753,725	814	694,689	5,100

Table 7. STATISTIC OF COTTON PLANTATION

(A) Area

Area & Crop of Cotton

	Area (Hectares)			
	Native cotton	Imported cotton	Improved cotton	Total
1934	69,267	23,543	58	92,868
1935	43,063	13,692	216	56,971
1936	53,462	27,928	1,020	82,410
1937	57,099	39,209	4,815	101,124
Of which:				
Fengtien Province	25,417	25,578	1,993	52,988
Chinchow „	31,306	10,613	2,754	44,672
Jehol „	348	3,012	68	3,430
Antung „	28	6	—	34

(B) Crop

Output of Raw Cotton

(Continued)

	(Metric tons)				
	Native cotton	Imported cotton	Improved cotton	Total	Computed in ginned cotton
1934	59,595	23,664	47	83,306	22,724
1935	27,014	10,881	215	38,110	10,417
1936	36,618	19,704	1,066	57,389	16,019
1937	37,702	26,577	4,096	68,375	19,673
Of which:					
Fengtien Province	17,362	17,451	—	18	10,750
Chinchow „	20,119	7,163	57	2,221	8,196
Jehol „	203	1,960	2,244	29,526	723
Antung „	16	3	1,796	36,609	5

Hemp (Tama)

The tissues of hemp which are commonly called Tama in Manchuria are used principally for manufacture of nets, ropes, cloth and last but not least, paper. Its seeds, or Siaomatzu, are used mainly as material for oil extration. The Tama intended for textile manufacture is grown notably in Fengtien Province and the mountainous district in the eastern part of Kirin Province and that for oil extraction in the Tungshan district, Fengtien Province, the region west of the Liao river and the districts along the Itung and Lalin rivers, Kirin Province.

The Manchurian farmer makes it a rule to plant one or two rows of Tama on the boundaries of his farms for the purpose of marketing its tissues as a remunerative secondary occupation. The output of Tama per Japanese tan (0.245 acre) is about 8 Japanese kamme (1 kamme is 8.28 lbs.). The total cultivation area in Manchuria is estimated at 20,000 Japanese cho (1 cho is 2.45 acres) and the yearly output of the plant at 16 million lbs., although any authentic figures are not available in the connection. There are several kinds of Tama now grown in Manchoukuo.

Blue Hemp (Tsingma)

Tsingma is grown almost everywhere in Manchuria, particularly in low, humid districts along rivers. So far as Tsingma cultivation is concerned, the regions along the Liao, Lalin and Nunkiang rivers are widely known. The total area under cultivation is put at 25,000 cho and the yearly output of the plant at 25 million lbs. Particularly, the district in the vicinity of Liaoyang, Chinchow and Newchwang are best suited for Tsingma cultivation, where the plant usually grows to a length of from 7 to 10 feet.

Like, Tama, Tsingma is used primarily for manufacture of nets, ropes and cloth. Of late, it has begun to be used as a substitute for ramie which is imported to Manchoukuo in large quantities for manufacture of gunny bags. The output per Japanese tan (0.245 acre) of dried Tsingma issues averages 16 kamme (1 kamme is 8.28 lbs.) There are two kinds of the plant grown in the country.

Kunma

Kunma is a kind of hemp indigenous to Manchurian soil, which is grown for oil extraction. In some parts of the country, it is called Tamatzu. A full-grown Kunma plant measures only 2 feet or so. Liaoyang, Tungliao, Taonan and Changwu are the principal producing centres of Kunma. From Kunma is extracted Kunma oil which is used for industrial purposes. The output of this oil per Japanese tan averages 5 Japanese sho (1 sho 0.48 gallon).

Perilla-seed

Perilla is grown everywhere in Manchuria, although its output is relatively negligible. Particularly, the region north of Mukden is well adapted to the cultivation of perilla. Following the sharp drops that have occurred in the price of soya beans, there are growing signs in evidence of perilla being cultivated on a much larger scale in the near future. The plant usually measures 3 feet. The oil extracted from it is used for medical, lighting and industrial purposes. Perilla is usually planted on the boundaries of farms as a means of protection for staple farm crops.

Tobacco

The southern and eastern sections of Kirin province form the main tobacco producing territory of Manchuria. In the northern and eastern parts of Fengtien Province it is also planted on a fairly large scale. Kirin Province leads in production followed by Fengtien Province. Generally speaking, the quality of tobacco produced in Manchuria is not good but of late it has been proved by the experiments conducted by the South Manchuria Railway Co. at Fenghuangcheng and Tehlissu that the cultivation in Manchuria of yellow tobacco of the American origin is quite promising and profitable.

To meet the tobacco shortage caused by restriction in leaf tobacco imports in accordance with the revised Customs tariff in effect since January 1938, the Manchoukuo Government plans to increase its tobacco land by 43,000 hectares in Antung, Fengtien, Chinchow, Jehol, Kirin, Chientao, Pinkiang and Mutankiang provinces, which are suitable for tobacco cultivation.

In line with the plan for increasing the crop, the Government was planning to increase its leaf tobacco import from Japan to some 2 million yuan in 1938 from about 800,000 yuan annually in the past, upon which negotiation were under way between the Finance Department of Japan and the Department of Finance and Commerce of Manchoukuo. In 1939 leaf tobacco imports from Japan proper amounted to 2,285,000 kilograms valued at 2,045,000 yuan.

Sericulture

First introduced into Manchuria some 200 years ago from Shantung Province, sericulture is now carried on quite extensively in the mountainous regions of the Liaotung Peninsula as a subsidiary occupation of Manchurian farmers. Wild silk is mainly produced in Antung, Kaiping, Haicheng, Hsiuyen, Fengcheng, Chuangho, Kwantien, Hsifeng and Huanjen-hsien. Wild silkworms were formerly raised on oak, ''nara'' (Quercus glandulifera) and (glandulifera) and ''kunugi'' (Quercus serrata) trees in the past, but in recent years it has been found that they also thrive well on ''akayanagi'' trees.

Production of wild silk cocoons amounted to 566,693 kilograms in 1936 and 671,529 kilograms in 1937. In Manchuria silkworms are raised twice a year, in spring and autumn, but the cocoons produced in autumn are superior and are used chiefly for reeling silk. Silk thread has hitherto been exported to Japan for making pongee. The production of mixed cloth woved with wild silk and Japanese raw silk for making western and Japanese clothing is anticipated in the future.

Wheat

Since the soil of North Manchuria is generally humus in nature, fertile and damp, this region is quite suitable for wheat raising as far as physical and chemical factors are concerned. An analysis of North Manchurian soil is given in the following table.

Table 8. TWENTY-FIVE-YEAR EXPANSION PLAN FOR WHEAT PRODUCTION

	Area under wheat (Hectares)	Production (Metric tons)		Area under wheat (Hectares)	Production (Metric tons)
1933	1,222,200	1,210,895	1937	1,348,000	1,335,623
1934	1,222,200	1,210,895	1942	1,658,800	1,643,456
1935	1,264,100	1,252,400	1947	1,987,800	2,011,923
1936	1,306,000	1,294,020	1952	2,326,000	2,458,117

Table 9. ANALYSIS OF SOIL IN NORTH MANCHURIA

Region	Percentage of Stones		Percentage of Sand				
	Stone	Sand	Rough Sand	Medium Sand	Minute Sand	Moisture	Nature of Soil
Tsitsihar	—	100.000	2.215	15.873	33.992	47.920	Humus, semi-inorganic
Suihua	—	100.000	0.313	7.215	38.537	53.935	Humus
Taian	—	100.000	1.943	10.808	33.237	54.012	Humus
Hailun	0.048	99.950	0.646	3,971	47.544	47.839	Humus, semi-inorganic
Koshan	—	100.000	0.860	3.051	38.907	57.182	Humus
Aigun	0.077	99.923	2.543	37.312	23.014	37.131	Inorganic

S.M.R., "Wheat in Heilungkiang Province", July, 1935.

According to surveys conducted on the soil of Koshan by the Koshan State Agricultural Experimental Station, it has been found that no stone content can be seen on the soil surface, and soil of fine particles with a good percentage of moisture, constitutes more than 50 per cent. Moisture increases to 57.4 per cent from a depth of 35 to 85 centimeters, and further to 60.98 per cent. at a depth of 1.20 meters, indicating the fact that North Manchurian soil is moist and of moderate density.

Table 10. CHEMICAL COMPOSITION OF SOIL IN WHEAT RAISING REGIONS (KOSHAN)

Depth of Soil (centimeters)	PH Nature	Tumus Soil	Pure Nitrogen	Pure Phosphoric Acid	Absorbed Phosphoric Acid	Pure Potassium	Absorbed Potassium	Analyzer
Surface ...	6.70	5.410	0.440	0.393	0.037	2.751	0.151	Dr. Hirai, Kyushu Imperial University
0.35	7.03	4.900	0.327	0.234	0.020	0.318	0.073	Dr. Tsukinaga, Kungchuling Agricultural Experimental Station
35-85	6.18	2.799	0.327	0.234	0.020	0.318	0.073	"
85-120	5.90	1.088	0.327	0.234	0.020	0.318	0.073	"
Aver. for Manchurian Soil	—	—	0.153	0.119	—	0.188	—	Dr. Tepkinaga
Aver. for Japanese soil ..	6.20	—	0.228	0.109	0.041	0.274	0.034	Dr. Hirai, Kyushu Imperial University

Department of Research, Yokohama Specie Bank, "Wheat and Flour Manufacturing in North Manchuria", August, 1936.

As indicated above, soil in the wheat raising sections of Manchuria is of the humus type, and presents the qualities specified by Blomeyer. The variety of wheat cultivated, belongs to the red wheat group, which conforms to the findings of Heuze regarding the combination of soil and the proper variety that should be grown. Furthermore, the percentage of moisture contained in the soil during the period of growth, has been given at 70 per cent. This fact strikes one with the impression that the percentage is too low, but with the completion of the irrigation program contemplated by the Manchoukuo Government, this defnciency will be amended, and it is expected that a tremendous increase in production will result from the expansion of the area of land used for wheat cultivation.

Present Wheat Production and Producing Regions

Wheat growing regions and their production. The northern part of Manchuria, especially along the lower Sungari River including Harbin, Chiamussu, and the region lining the Tsitsihar-

Heiho Railway, or the general region lying between 43 degrees 8 minutes and 48 degrees 5 minutes north latitude, is the chief producing center of wheat in Manchuria. The region surrounding Mukden is the only wheat growing center of South Manchuria.

The land area used for wheat cultivation constitutes 8 per cent. of the total land area (14,668,000 hectares in 1938) under cultivation for raising Manchuria's principal crops, namely soya beans, kaoliang, millet, maize and wheat. Wheat production amounts to approximately 6 per cent. of the total agricultural products of the country or 17,515,000 metric tons. no

Economic value of wheat cultivation. According to the second estimate of 1938 of Manchurian agricultural products released by the Department of Industry of the Manchoukuo Government (the Manchoukuo Government releases estimates of production of the country's agricultural products for the year four times during the year), land used for raising soya beans constituted 25 per cent. of the total area of farmlands or 15,490,000 hectares, kaoliang 20.8 per cent., millet 17.6 per cent., maize 9.9 per cent., and wheat fifth place with 8.3 per cent.

Among the five crops, soya beans and wheat have the highest commercial value, and consequently, these two crops are raised not for the purpose of household consumption, but with the intention of marketing them uppermost, but owing to weather conditions and the fluctuation of market prices, wheat cultivation has not shown the universal development seen in other crops. A number of experimental cultivation has not only proved the fact that the raising of this product is economically advantageous, but also the prominent position which wheat holds in the expenditure-income accounts of agricultural products, as the following figures show.

Table 18. INCOME FROM AND EXPENDITURES OF SOYA BEAN AND WHEAT PRODUCTION IN NORTH MANCHURIA (HAILUN-HSIEN)

(Unit: yuan per tan*)

	Soya Beans		Wheat	
	1929	1930	1929	1930
Seeds	0.50	024.	0.77	0.49
Fertilizer	0.30	0.15	0.30	0.15
Labor cost	2.64	1.76	2.16	1.44
Live-stock	0.40	0.26	0.40	0.26
Materials	0.03	0.02	0.03	0.02
Taxes	0.22	0.14	0.22	0.14
Redemption on buildings	0.04	0.03	0.04	0.03
Redemption on farm implements	0.06	0.05	0.06	0.05
Tenant fees	3.33	1.61	3.33	1.16
Others	0.25	0.16	0.25	0.16
Total expenditures	7.55	4.28	7.34	4.21
Seeds sold	8.88	4.04	8.77	5.57
Stems and others sold	0.86	0.62	0.86	0.84
Total income	9.74	4.66	9.63	6.20
Profit	2.10	0.38	2.29	1.99

(Continued)

Figures compiled from surveys conducted by the Hailun Agricultural Experimental Station, Nisshin Flour-Milling Co., "Japanese Immigration, Wheat Production and Flour-Milling Policy in Regard to North Manchuria", and "Survey No. 100" of the Yokohama Specie Bank.

*1 "tan" equals 1/10 hectare.

WARTIME AGRICULTURAL PLANNING

As Manchoukuo was born in the throes of a world-wide economic crisis, particularly of agriculture, the rehabilitation of agrarian life demanded utmost exertions from the new Government. While launching various measures of guidance and assistance in the interest of the farmers, the Government built up a system of agricultural control, thus stabilizing agrarian life. Considering the increased importance of her agriculture, Manchoukuo, under date of September 1, 1940, enacted the Produce Exchanges Law, and revised a month later the Rice Control Act, Wheat and Flour Control Act, and replaced the Staple Produce and Principal Cereals Acts by new enactments. The improvements introduced in 1940 centered round the system of produce exchanges. The control thus built up was, however, rather lop-sided, in that the production end of the problem did not receive adequate attention. In view of these circumstances, the Government, April 6, 1941, announced a new policy, as a further step in agricultural planning, which shifts the emphasis from produce-gathering and distribution to production. Before describing the new measures, an outline of the existing system may here be added, for these measures are resigned to round out the existing system.

Outline of Existing System

According to the Produce Exchanges Act enforced, September 1, 1940, it is obligatory for local bodies, that is, cities, hsien, and banners to establish produce exchanges to be managed by agricultural cooperative associations and settlers' unions. Exchange regulations are framed by the local bodies concerned, subject to official approval. These regulations must provide, among other matters, for the kinds of produce to be handled, the methods of transactions, and the qualifications of the buyers on the exchanges. The cost of maintaining the exchanges and other necessary expenses for their operation are borne by the local bodies concerned. The buyers on the exchanges are, however, required to pay a stipulated commission or sum toward the funds of the exchanges. The local bodies establishing exchanges are bound, as determined by the Minister concerned, to submit reports on the amounts of transactions on the exchanges.

Speaking first of rice, the cereal produced by the cultivators or acquired by the landlords as farm rent, excepting the quantities for their own consumption, must be sold, according to the Rice Control Act, to the Manchuria Cereals Control Corporation or authorized buyers. The rice thus bought by the Manchuria Cereals Control Corporation or authorized parties cannot be sold except to the authorized buyers or parties otherwise qualified, on the exchanges.

Cereals Control

The Manchuria Cereals Control Corporation above mentioned was established under a special Act of November 7, 1938, to undertake the distribution of the cereals covered by the Rice Control Act and the Principal Cereal Control Act, with a view to adjusting the supply and demand of such cereals, as well as to maintaining equitable prices for them. The Principal Cereals Control Act of October 1, 1940, replacing the previous Acts is designed to secure the full attainment of cereals control, namely, the regulation of the distribution and prices of principal cereals and the adjustment of supply and demand of these cereals. According to the Enforcement Regulations dated October 1, 1940, the kinds of cereals coming under control are as follows: (1) kaoliang, (2) maize, (3) millet, (4) barley, (5) rye, (6) buckwheat, (7) red beans, (8) green beans, and (9) peas. As in the case of rice control, the Act mentioned above provides that the producers, landlords, or persons possessing or owning principal cereals under control cannot sell these cereals except to the Manchuria Cereals Control Corporation or authorized parties. Neither can the Manchuria Cereals Control Corporation nor the authorized parties sell the produce acquired except to the qualified parties on the exchanges.

Before the end of 1939, the Government had the Manchuria Staple Produce Control Corporation established, under a special Act, in order "to regulate the prices and distribution of staple produce, to encourage the production and exportation of such produce, as well as to contribute to the development of the industries using same produce as material." According to Regulations Enforcing the Staple Produce Control Act of October 1, 1940, the kinds of the produce to which the Act applies comprise: (1) soya beans, cakes, oil; (2) perilla, seeds, cakes, oil; (3) shoma seeds, cakes, oil; (4) hemp seeds, cakes, oil; (5) groundnuts, cakes, oil; (6) sesame, cakes, oil; (7) cotton seeds, cakes, oil; (8) flax seeds, cakes, oil; (9) sunflower seeds, cakes, oil.

The agency of the Government for wheat and flour control is the Manchuria Flour Control Corporation established under a special Act, for the purposes of "regulating the prices and distribution of wheat, encouraging the production of the same cereal as well as ensuring the manufacture of wheat and substitute flours." As will be seen from the foregoing paragraphs, the existing Acts on agricultural control follow the standardized lines, the Government exercising wide supervisory powers.

Cooperative Associations

In the agrarian planning in Manchoukuo, the agricultural cooperative associations as organized under the Act of March 23, 1940, are playing a highly important part. These associations are formed on the basis of local administrative divisions, that is, cities, hsiens, and banners, with the object to develop agriculture and agrarian welfare, so as to contribute to national economy. The local associations are the primary organizations, on the basis of which the provincial and central associations are formed. All these associations are legal persons, the Government subsidizing them within limits of the national budget. The farmers living within each local unit are members of the association. Mutual aid in agriculture, financial assistance, and savings deposit business are the aims of the associations. Each local association has its president, directors, and auditors. The mayors of cities, heads of hsien and banners become ex-officio presidents, while the directors and auditors are chosen by the Minister. Local government officials and Concordia representatives are appointed as advisors. The provincial federation of the cooperative associations pursues the same object on a provincial scale, while acting as the coordinating body for the local associations. The governor of the province becomes ex officio president of the provincial federation, while the directors and auditors are chosen by the Minister. The provincial federation has also advisors and of course the council of members of the federation. The central federation of cooperative associations operates on a national scale, and is capitalized at 30,000,000 yuan, the whole amount being supplied by the Government. Financial assistance to the provincial and local federations is among its important functions.

Official Prices of Farm Products

The current official prices of farm products in Manchoukuo were announced, September 26, 1940, for the twelve-months beginning October 1. (The ''produce year'' established for purposes of agricultural control begins on October 1 of one year and ends on September 30 of the next.) The official prices were coupled with the payment of bounties on the marketing of the produce on the exchanges, a few feature introduced into the control system of Manchoukuo.

New Measures Announced

The new measures for rounding out the existing system of agricultural control, including the new schedules of the official prices of produce for the twelve months beginning October 1, were announced on April 6. These measures shift the emphasis to production, and consist, in the first place, in the replacement of the bounties payable on the marketing of produce on the exchanges by a system of bounties payable directly to the cultivators during the April-September period, and secondly in the readjustment of the official prices of produce, and thirdly in the financial arrangements for purposes of production, and fourthly in the strengthening of the connection between production and marketing.

Under the system introduced in the autumn of 1940, it was the liang chang (cereal) dealers that received the bounties, at least in the first instance, because it was they that were parties to the transactions on the exchanges. These middlemen collected the cereals in the farming villages and sent them to the exchanges to be sold to the Control Corporations or authorized buyers. On account of the bounties, the prices the farmers obtained from the middlemen were in fact higher than before, but the benefit of the bounties for the cultivators was indirect, with the consequence that the bounties failed to have full effect on production. Under the new system, the bounties are to be paid the farmers directly from the village and tun (village subdivision) chiefs, thus eliminating the liang chang middlemen, as far as the payment of bounties is concerned.

The bounties payable under the old system varied between crops, as to the rate and the period. The rate for soya beans was 2 yuan 3 fen per 60 kilogrammes, and the period, four months from October 1 to January 31, except for the Sungari region; the amount for wheat, 2 yuan per 100 kilogrammes, and the period, four months from October 1 to January 31. As for rice, the rate was 1 yuan 80 fen during October, 1 yuan 20 fen during November, 60 fen during December and January; while the rate for maize and kaoliang was 2 yuan per 100 kilogrammes, during a month and a half from October 1 to November 15. The periods for different crops, as announced last autumn, had however to be prolonged for various reasons. According to the new system announced, the bounties are applied to barley, rye, millet, hemp, and perilla, in addition to wheat, rice, maize, and kaoliang, at a uniform rate of one yuan per 100 kilogrammes. The new official prices of farm produce, also announced at the same date, plus the uniform bounty of one yuan are practically the same as the old official prices plus the old bounties, except for certain crops. This has involved a readjustment of official prices.

Defects Remedied

In the statement issued, April 6, 1941 on the adoption of the new measures, the Government declared that despite the good results obtained under the system introduced last autumn, the actual operation had revealed certain defects, which had now to be remedied. In order to organize the marketing of farm produce, the Government had established the system of produce exchanges in cities, hsien, and banners throughout Manchoukuo. The transactions of farm produce outside the exchanges were forbidden, but the relation between the liang chang middlemen and the farmers was left unregulated, except that the collection of produce by these middlemen in the farming villages, which was the usual practice, was tacitly assumed. Of course, the farmers themselves received the bounties, when they carried or sent their produce directly to the exchanges, but this was not the rule.

According to the new system announced, each village or tun (village sub-division) chief is to conclude, on joint responsibility with the farmers within his jurisdiction, contracts with the Agricultural Cooperative Association as to the quota of produce to be marketed within a stated period and on a stated exchange. Simultaneously with the conclusion of the contracts, the village chief, or tun chief, as the case may be, is to distribute the bounties to the farmers. The contract concluded with the Agricultural Cooperative Association may of course be revised, since agricultural production depends a good deal upon weather conditions, etc. In case there are definite prospects of a larger output than the quota agreed upon, an upward revision of the contracts is to be made; while in a contrary case, the contracts are to be revised downward—in either case after fulfilling due formalities.

Financial Arrangements

Since the new bounties are designed as an aid to production, their payment, that is, the conclusion of the contracts, is to take place during the summer. The total amount of bounties to be distributed to the farmers is estimated at 70,000,000 yuan, which will rise to 80,000,000 yuan, with the inclusion of the interest, commissions, and other forms of expense. The Agricultural Cooperative Association is to hand over the necessary sum to the village and tun chiefs, who are, as has been stated, to distribute the money to the farmers. The Agricultural Cooperative Association, on the other hand, is to borrow the necessary funds from the Control Corporations, which in turn will borrow the required amount from the Central Bank of Manchou—on the security of the produce contracted for. As for soya beans, the Agricultural Cooperative Association will give priority to the cultivators of this important crop in financial assistance.

The new method certainly represents an improvement on the old method, but the results depend upon the cooperation of all parties concerned. The need for this is all the greater, as the new method is framed on more ''scientific'' lines. In operating the new measures, the cooperation between the administrative authorities, the Agricultural Cooperative Association, and the Concordia Association is above all important. In the early part of April, the leaders of the provincial cooperative associations met in Hsinking to concert plans for the successful attainment of the aims of the new measures. The Concordia Association has already started activities in this connection. With the cooperation of all parties concerned, ''guidance groups'' are being formed in every village, to undertake constant guidance of farm production. In the rural districts, the new measures are welcomed, particularly with respect to the direct payment of bounties to the farmers. Under the old system, the chief beneficiaries of the bounties were the landlords and the liang chang middlemen. The tenants are now reported to be desiring to pay their farm rent in money instead of in kind.

Candidly speaking, it is doubtful whether the new bounties may result, at least in the current year, in an increased area of cultivation, for the farmers had practically finished preparations for the new season, before the new measures were announced. Moreover, the payment of the new bounties will only begin in July. However, if these bounties may have little effect to increase the area of production, it will still be a substantial help to the farmers in the weeding and harvest seasons. The new method represents a decided advance in agricultural planning. The important thing is to thoroughly organize cooperation among the different agencies concerned.

Important Role of Cooperatives

The Agricultural Cooperative Association, as organized last autumn, will play a very important part in operating the new measures. As has been described, it is with the local cooperative association that the village and tun chiefs are to conclude the quota contracts. It is again the cooperative association that pay the bounties to the village and tun chiefs, who hand over the money to the cultivators. It is further the cooperative association that conducts the produce exchange business. The new policy links the cooperatives directly with the village and tun chiefs, eliminating third parties between them. The enlarged sphere of the activities of the cooperatives will lead to the further consolidation of their position in the rural life in Manchuria. From the administrative point of view, the village and tun have in fact acquired increased importance as the primary units in local administration, which is another advantage of the new system.

Poppy

The largest poppy growing region in Manchoukuo is the province of Jehol. The government has decided to curtail production of this crop and lately an appreciable decline in the area under cultivation and output has been effected. In 1937 poppy production in the legalized areas amounted to 1,030,000 hectares, fell to 700,000 hectares in 1938.

Table 20. LEGALIZED AREA FOR POPPY GROWING
(Unit: 1,000 Hectares)

	Jehol	Kirin	West Hsin-gan	Feng-tien	Chin-chow	An-tung	Chien-tao	Pin-kiang	San-kiang	Total
1933	580	361	—	—	—	—	—	—	—	941
1934	460	486	40	80	—	—	—	—	—	1,066
1935	310	—	10	—	30	10	145	50	135	690
1936	600	—	50	—	—	—	—	30	200	880
1937	700	—	50	—	—	—	—	30	250	1,030
1938	650	—	60	—	—	—	—	—	—	710

Table 21. STATE PURCHASES AND SALES OF OPIUM
Quantity in liang (1 liang=50 grams); Value in M¥

	Purchased		Sold	
	Quantity	Value	Quantity	Value
1933	3,429,601	7,630,775	1,220,403	5,511,033
1934	6,612,951	14,999,670	3,808,499	14,372,726
1935	7,601,254	15,362,449	7,780,606	28,230,347
1936	10,307,943	19,834,666	10,108,223	38,667,556
1937	13,500,000	29,025,000	12,300,000	47,850,000

Mechanical Farming

Heavy rains which come around autumn in North Manchuria present a threatening danger to mechanical farming, one that cannot be dismissed lightly. In the case of wheat cultivation the use of a combine for harvesting and threshing saves much time, effort and expense, a device which is virtually indispensable, but when there is heavy rainfall, this machinery cannot be operated at all.

Table 22. IMPORTS OF AGRICULTURAL MACHINERIES, IMPLEMENTS, TOOLS, ETC.

	Value (in M¥)		
1933	122,557	1936	986,847
1934	157,836	1937	2,306,741
1935	606,119	1938	1,241,273
		1939	2,725,517

A caterpiller tractor can be employed effectively on a field dampened by about 12 millimeters of rain, but when the amount of rain is between 12 and 30 millimeters, a day is lost providing fair weather prevails the following day and similarly two days if the fall is between 30 and 50 millimeters. Similar limitations are dictated by rainfall to the use of combines. Therefore, it is quite apparent that rain falling heavily in August, September and October inflicts considerable damage upon mechanical farming in the central plains of North Manchuria. According to records of observation compiled in the vicinity of Hailar during the past ten years, the consecutive number of days in which combines were rendered useless during the month of August are, 1926 3 days, 1928 5 days, 1929 12 days, 1930 6 days, 1931 10 days, 1932 3 days, and 1933 3 days. Since wheat harvesting in North Manchuria requires some 10 to 13 days, a loss of 4 to 6 days in the midst of harvest operations results in the loss of the yield from tracts of land that cannot be covered. Therefore, in regions where rainfall is rather heavy harvesting and threshing operations have been divided as a safety first measure even though this method costs more than the combine method. However, the region around Hailar is much drier than parts of Japan or the United States in late autumn, and it is said that even soya beans can be harvested with a caterpillar tractor in rain. If such is the case, mechanical farming will prove to be much more advantageous and economical than native farming methods.

Due to lack of information, it is still difficult to say whether farming with machinery or by means of native methods is more profitable in Manchuria today, but according to the management record for 15 years of Mr. Voroshitsoff, a Russian farmer of Yakushih in North Manchuria, mechanical farming has produced good results. Other farmers have given similar replies making it almost certain that the possibility of losses in mechanical farming is low.

The Manchoukuo Government is presently expending much effort for the diffusion of mechanical farming in view of the urgent demand for the increase and expansion of farm products. A farm with a minimum area of 500 hectares is said to be ideal for mechanical farming. In North Manchuria which is known as the granary of Manchuria, especially about Koshan, a large farmer tills about 50 hectares on the average, a middle farmer about 30 hectares and a small farmer about 13 hectares, the profits from which are 18 yuan, 22 yuan, and 20 yuan per hectare, respectively. If these farmers were to increase the area of land for cultivation, an increase in profits through native farming methods cannot be expected. On the contrary, the percentage of profit will diminish to about 16 yuan per hectare if the average is increased to 100 hectares, while an increase of this area to 200 hectares or more is deemed impossible.

On a 500 hectare farm, which is held ideal for mechanical farming, the area can be covered effectively with a 30 horsepower tractor, a 20 horsepower tractor and 10 horses. Although it is believed that a loss of 15 yuan per hectare would arise if the area of cultivated land for mechanical farming is 100 hectares, a profit of 9 yuan per hectare can be realized if the area is increased to 25 hectares. The profit further rises to 21 yuan per hectare from 500 hectares and 33 yuan per hectare if the area is increased to 1,000 hectares. In other words, a decline in the rate of profit will take place if the area of land cultivated by native methods is increased above the practical limit, but net profit per hectare will increase in proportion to the increase in the area of land cultivated with agricultural machinery. Furthermore, the use of machinery for weeding, threshing and other purposes is absolutely an advantage over native farming methods. The high cost of fuel required in operating machinery and the absence of firms for the manufacture of machinery are problems which mechanical farming must still face, but the use of petroleum for fuel and the possibility of companies being organized in Japan in view of the great demand for agricultural machinery will undoubtedly iron out the difficulties confronted by this rising agricultural industry.

Table 23. STATISTICS ON GRANARIES

			State Subsidy	
	Minimum* quantity cereal holdings (Koku)	Minimum Capacity (Tsubo)	Construction expenses (M¥)	Other expenses (M¥)
Kirin Hsien ...	222,750	742.5	51,583	88,200
Lungkiang „ ...	87,750	292.5	29,709	42,924
Heiho „ ...	2,400	8.0	1,390	2,293
Sankiang „ ...	39,900	133.0	11,920	17,052
Pinkiang „ ... Mutankiang „ ...	200,250	667.5	52,200	91,728
Chientao „ ...	21,000	70.0	4,040	9,878
Antung „ ... Tunghua „ ...	141,000	470.0	46,440	54,096
Fengtien „ ...	411 450	1,371.5	122,819	167,757
Chinchow „ ...	144,000	480.0	55,100	52,272
Jehol „ ...	106,500	355.0	37,964	51,744
Hsingan „ ...	14,250	47.5	5,700	7,056
Total	1,391,250	4,637.5	418,865	585,000

Note: * Each hsien is furthermore required by law to command the financial resources to double its minimum quantity of stored cereals. The said quantity shall be determined by the Civil Affairs, Minister (at present the Minister of the Department of Agriculture).

Public Granaries

By Departmental Order No. 14, August 31, 1935, the Regulations for the Control of Public Granaries were announced by the Department of Civil Affairs. The sum of M¥3,000,000 is being distributed throughout the country as funds and subsidies for building the necessary granaries. The new regulations will enable each "hsien" or county to collect grains from the people and store them for emergency relief and other similar purposes, particularly, in cases of disasters or calamities or for supplying the poor with foodstuffs or furnishing them with needed funds.

Tree Planting

The tree planting movement in Manchoukuo has been achieving considerable results in eliminating denuded land subject to soil erosion and floods. This movement during 1940 resulted in successful planting of poplar, elm, maple, walnut and larch totalling ten million saplings over all Manchoukuo. During 1941, about twenty million saplings were to be planted under direct supervision of the provincial authorities. The tree nurseries in Manchoukuo, totalling 2,300 hectares will supply 230,000,000 saplings which are hereafter to be planted by school children for educational purposes, as well as for protection of national resources.

Saplings to be planted at war memorials, old battle-grounds, shrines and temples will be specially selected, while apricot, will receive special attention for beautification of public grounds. The great lightway encircling the city of Hsinking will be planted with appropriate trees for achievement of aspects worthy of the national capital. The Forestry Bureau of the Department of Agriculture, in charge of the above program, will complete its first project by the end of 1942, the tenth anniversary of the founding of Manchoukuo.

CHAPTER XVI

STOCK-BREEDING

Cattle

The native cattle are of two types, namely, Mongolian and Manchurian. The former are chiefly reared in western Manchuria adjoining Mongolia, and in West Hsingan Province, and the latter in the Changpai mountain regions. Very few are raised in the vast Manchurian plains that form the central portion of the country.

In the eastern part of Manchuria, cattle are used for cultivation, in the western Mongol banner districts they are reared for obtaining milk. It should be observed that Manchurians and Chinese generally do not like milk very much. Milk was formerly consumed only by the Mongols, but in recent years the demand for this product has increased owing to the rise of the Japanese population in Manchuria. As a result Japanese-managed dairy farms have sprung up in various parts of South Manchuria.

Though the native breeds are sturdy, have strong power of resistance to disease, and are able to live on poor food, they are small when compared to Korean or Japanese cattle, and are not so useful as draught animals as the other species. In economic value, in consequence they are inferior to Korean and Japanese cattle.

It is estimated that 1,683,000 head of cattle are raised by some 540,000 households in Manchuria in 1937.

Horses

Almost all the horses raiesd in Manchuria are Mongolian breeds. Although they are small in stature, the native horses are large-boned, have strong legs and are capable of working long hours, withstanding bitter cold climate, and living on poor and scanty food. The Hulunbair district is the chief supplier of horses to North Manchuria. In South Manchuria those bred in the eastern part of Mongolia, particularly Wuchumuchi, Chahar Province, are famous. The Manchoukuo Government, in accordance with its horse-raising program, is directing its efforts to improve the native breeds by crossing them with Arab, Anglo-Norman and other superior strains imported from abroad. For this purpose State stud-farms have been established in various parts of the country. Horse-raising in Manchuria has a bright future because of the extensive pasture lands and the large demand for military mounts.

About 1,800,000 horses are raised in Manchuria. In proportion to the area of the country, this number is very small when compared with 1,448,481 horses raised in Japan, which is little more than half the area of Manchuria. Besides Mongol horses, Hailar breeds are raised in the Hailar, Manchouli and Jalainor districts, Russian horses in the Houpeichiaerhlai district, and Sanbeis breeds in the regions west of the Hsingan Mountains.

The number of horned cattle, sheep, goats, swine and camels as of September, 1937 is tabulated below:

Table 1. DISTRIBUTION OF DOMESTIC ANIMALS
(Unit: 1,000)

Province	Horned cattle	Sheep	Goats	Swine	Camels	Dogs	Fowl
Kirin	77.3	22.1	15.4	716.3	...	307.2	1,345.8
Lungkiang	118.1	53.6	12.5	664.4	...	178.7	136.8
Heiho	4.1	0.3	—	16.7	...	4.4	33.2
Sankiang	48.5	1.7	0.5	167.2	...	93.0	208.5
Mutankiang	17.2	1.4	1.0	66.7	...	20.6	82.2
Pinkiang	89.5	38.0	3.4	878.7	...	286.2	1,696.7
Chientao	53.4	1.0	0.2	93.1	...	32.7	205.6
Tunghua	19.2	0.4	1.1	68.1	...	27.6	71.0
Antung	118.7	0.2	7.8	252.8	...	91.4	411.0
Fengtien	158.4	29.6	16.6	1,073.2	....	483.4	1,922.7
Chinchow	97.4	196.3	85.2	562.8	...	301.1	805.3
Jehol	276.7	247.7	785.4	549.5	1.3	299.4	875.6
Hsingan W.	183.1	147.9	182.6	52.3	1.7	40.6	98.8
„ S.	114.7	83.3	87.7	164.6	0.8	81.8	177.5
„ E.	11.7	1.3	0.1	17.3	...	8.7	34.5
„ N.	195.4	1,141.3	52.5	5.7	9.0	13.1	20.7
Hsinking	0.6	0.1	—	5.4	...	2.9	12.7
TOTAL	1,683.3	1,970.0	1,243.1	5,325.7	12.7	2,272.8	8,137.7

Note: Statistics are those of 1937 while figures of horses are not available.

Hogs

Most of the hogs raised in Manchuria are Chinese stock, originally brought here by the Chinese when they migrated to Manchuria. They are raised for their meat throughout the country, particularly in Fengtien and Pinkiang provinces, by Manchurian farming households who invariably keep scores of them. Pork, however, is not eaten by Mohammedans and Mongols in accordance with religious custom.

Considerable pork is consumed at home, while live hogs, bristles and intestines are exported. Bristles are particularly in demand for making shaving brushes and have great commercial value. Manchurian hogs are generally prolific but mature late. Although they are very hardy and can subsist on almost any kind of food, their bodies are rather lean and the meat somewhat tough. In order to improve the native-breeds, the Manchoukuo Government and other agencies are actively encouraging hog-raisers to cross the native species with imported Berkshires. As a result, superior breeds are being gradually produced in increasing numbers.

Manchurian hogs are of three types, large, medium and small, but are all black in color. In addition to the native stock, there are improved Russian breeds (white and of great economic value) and improved breeds of Manchurian hogs. It is estimated that 2.530,000 households are raising a total of 5,336,000 hogs. Aside from pigs' bristles, pigskin is widely used in place of cowhide and horsehide. A promising future is in store for the pigskin tanning industry in view of the large number of hogs raised in Manchuria.

Pigs' bristles are practically all exported abroad, chiefly to America, Japan, China, Hongkong, Great Britain and Germany. Exports of this product in 1939 amounted to 668 metric tons valued at ¥6,595,447.

Goats

Jehol is the leading goat-raising province, followed by West Hsingan Province. The number of goats raised in the country totals some 1,243,000.

Camels

Camels are raised chiefly in North and West Hsingan provinces, particularly in the Hulunbair district (where many Mongols are engaged in this occupation) and to a certain extent in South Hsingan and Jehol provinces. They are good pack and draught animals, but their number is gradually decreasing, and it is estimated that there are now about 12,800 camels in the country. Two species of camels, namely, the Arabian or one-humped, and the Bactrian or two humped, are found in Asia. Those belonging to the latter species are chiefly raised in Manchuria as they are able to stand the cold climate far better than Arabian camels.

Manchurian camel-hair possesses great elasticity, is of excellent quality and is highly valued as material for making woollen goods. The greater part of the country's production is consumed at home, while the remainder finds a ready market abroad. Exports for 1937 amounted to 53,996 chin valued at ¥41,882.

Deer and Angora Rabbits

Deer-raising is carried on only in parts of Kirin, Fengtien, Heiho and Jehol provinces, for making highly valued drugs obtainable from the antlers. Besides the above animals, Angora rabbits are raised for their wool, which is better than camel-hair in quality and is used for making high-grade hats and fabrics. The raising of silver foxes for exportation abroad is also under experimentation.

Sheep

In Mongolia sheep and goats are extensively raised by the inhabitants as their principle occupation, and constitute their most important source of livelihood. Native sheep were formerly reared only for their meat and skins, but in recent years efforts have been directed to their improvement for the production of high quality wool. The amount of wool produced from native stock is small, and the quality is poor, inferior in texture and elasticity. As the wool is not suitable for making high quality woollen yarns; it is only used for making low grade woollen cloth, felt, blankets and rugs.

In accordance with the five-year industrial plan (1937-42), the Government, with the object of attaining self-sufficiency in wool, is importing large numbers of Merino, Corriedale and other superior strains for breeding purposes. The Government plans to produce 4,000,000 head of improved sheep and 4,500,000 metric tons of wool within the five-year period.

Some 1,965,900 head of sheep are raised in Manchuria at present, principally in the Mongol grasslands in the western section, covering the four Hsingan Provinces, Jehol Province and Chinchow Province.

The livestock section of the South Manchuria Railway Experiment Station has since 1924 carried on extensive experiments with a view to raising the quality and quantity of sheep's wool. An accompanying table shows that the Merino breed cared for at the Experiment Station produced almost seven times as much wool as the Mongolian breed.

Table 7. WOOL YIELD BY BREEDS

	Sex	Age (Year) over	No.	Volume of wool per head (Grams)	%
Mongolian breed	Female	2 or 3	2,928	1,182	100
Merino-Mongolian cross-breed ..	„	„	„	2,456	208
Ditto, improved breed	„	„	„	2,863	243
Merino	„	3	427	5,860	496
Mongolian breed	Male	2 or 3	356	1,610	136
Merino-Mongolian cross-breed ..	„	„	„	3,421	289
Ditto, improved breed	„	„	„	4,581	388
Merino	„	3	193	8,060	682

The Government also drew up a 30 year plan for expanding the sheep raising industry. According to this plan the total number of sheep would aggregate 15,000,000 heads in 1967, this figure being exclusive of 120,000 heads to be raised in Kwantung Province. Details of the plan are tabulated below:

Table 6. 30-YEAR PLAN FOR SHEEP'S WOOL PRODUCTION IN MANCHOUKUO AND KWANTUNG PROVINCE

(a) No. of sheep (1,000 heads)

	Manchoukuo			Kwantung Province		
	Thorough bred	Improved bred	Native bred	Corriedale	Improved bred	Native bred
1937	8	24	3,080	1.6	1.9	0.9
1938	14	35	3,220	2.1	2.7	0.9

	Manchoukuo			Kwantung Province		
	Thorough bred	Improved bred	Native bred	Corriedale	Improved bred	Native bred
1939	20	91	3,386	3.2	3.8	0.9
1940	26	161	3,619	4.3	5.1	0.8
1941	35	310	3,857	5.8	6.7	0.8
1946	3,163		3,115	25.6	24.7	0.7
1951	5,982		2,374	113.8		0.5
1956	8,800		1,632	115.7		0.3
1961	11,618		890	116.6		0.2
1966	14,436		148	119.6		0.0
1967	15,000		—	120.0		—

(b) Wool production (1,000 pounds)

	Manchoukuo		Kwantung Province	
	Thorough & improved breed	Native bred	Corriedale & improved bred	Native bred
1937	209	6,790	24.2	2.1
1938	329	7,099	33.3	2.0
1939	670	7,465	49.2	1.9
1940	1,091	7,978	66.0	1.9
1941	1,955	8,503	88.1	1.8
1946	22,143	6,868	351.7	1.5
1951	41,871	5,233	796.3	1.1
1956	61,599	3,597	809.9	0.8
1961	81,326	1,962	823.6	0.4
1966	101,054	327	837.2	0.0
1967	105,000	—	840.0	—

Donkeys and Mules

Donkeys are raised chiefly in Fengtien, Antung and Jehol Provinces in South Manchuria, and are fine breeds. There are two species, large and small, but the latter are generally used for farm cultivation as well as for domestic work and as pack animals. They are hardy and can subsist on poor food. About 620,000 donkeys are raised in Manchuria.

Manchurian mules, raised only in farming districts, produced by crossing stallions with donkeys, are larger than Mongolian horses, being from 1.3 to 1.6 meters high, are gentle in nature, sturdy, and capable of working long hours. Very few are raised in North Manchuria as they do not stand severe climate conditions very well. The number of mules raised in Manchuria totals between 560,000 and 570,000 and is smaller than that of donkeys.

The number of domestic animals slaughtered in 1937 is shown in the subjoined table:

Table 2. NO. OF ANIMALS SLAUGHTERED

(1937)

	No. of Heads	Meat (Kilogram)	Meat per Head (Kilogram)
Cattle	170,717	25,607,550	150
Horse & Mule	7,899	631,920	80
Ass	6,558	363,480	60
Swine	1,641,851	106,720,315	65
Sheep	179,196	268,794	15
Goat	72,868	874,504	12
Calf	10,517	473,265	45
Colt	41	825	20
Hogling	4,058	24,348	6

The situation in the export of live animals and animal products from Manchuria is tabulated as follows:

Table 3. EXPORTS OF LIVE ANIMALS CLASSIFIED

(Value in M¥1,000)

	Cattle		Horse, Mule & Ass		Pig		Sheep & Goat	
	No.	value	No.	value	No.	value	No.	value
1936	22,150	520	1,818	83	20,275	95	134,421	497
1937	24,435	588	5,998	131	24,164	116	132,897	506
1938	4,674	161	3,729	166	11,966	137	69,496	516
1939	416	49	535	94	18,570	230	46,735	291

Table 4. EXPORTS OF ANIMAL PRODUCTS

(Value in M¥1,000)

	Bristle		Horse Hair & Others		Butter	Horn	Animal Bone	
	(M. tons)	(Value)	(M. tons)	(Value)	(Value)	(Value)	(M. tons)	(Value)
1936	995	4,404	2,322	1,651	12.0	124.9	13,450	372
1937	870	6,541	2,320	2,122	0.7	64.4	12,979	392
1938	558	5,472	1,858	2,213	15.3	3.7	44,764	149
1939	668	6,595	802	2,278	6.7	3.2	1,790	132

(Continued)

	Animal Fat		Beef	Pheasant		Hide & Leather		Skins
	(M. tons)	(Value)	(Value)	(1,000)	(Value)	(M. tons)	(Value)	(Value)
1936	27.8	7.2	474	—	159	930	654	5,132
1937	29.8	8.6	472	—	235	958	733	4,635
1938	12.0	4.4	921	417	365	738	1,208	4,998
1939	32.0	15.3	405	331	339	73	723	3,434

A fair trade in the import of pastoral products and leather is done also, the latest available figures being as follows:

Table 5. IMPORTS OF ANIMAL PRODUCTS CLASSIFIED

(Value in M¥1,000)

	Butter & Cheese (Value)	Other Milk Products (Value)	Egg, hens'		Hide (Value)	Leather (Value)	Fur (Value)
			(M. tons)	(Value)			
1936	137	962	1,767	597	1,695	4,041	1,474
1937	175	1,268	1,060	426	1,557	3,834	1,942
1938	123	1,452	210	97	1,834	5,810	2,938
1939	84	1,872	282	395	187	4,660	1,587

Chickens

It is estimated that 450,000 chickens are raised in Manchuria. Most of them are native stock and are mixed breeds which have degenerated from the Asiatic species. The native species are generally small-boned and hens do not lay more than 100 eggs a year. The large variety of native stock is reared in Fu-hsien, Chuangho-hsien, and in the Pitzuwo district, Kwantung Territory. Their productive capacity is about 60 eggs annually.

In addition to the native species, superior egg-laying breeds such as the White Leghorns, Rhode Island Reds and the Nagoya (Japanese) have been imported and are raised extensively in districts along the former S.M.R. lines. The native species are raised chiefly as table fowl, the meat being known for its fine flavour, while the raising of improved species is being actively encouraged for production of eggs. Incubation by the Korean heating system, though primitive, is being pursued with satisfactory results. Chicken manuré, when used in tanning hides, does not deteriorate the quality of hides and moreover makes them fine and smooth in texture. Much attention is therefore being paid to the utilization of this product in hide tanning.

Manchuria Live-Stock Industry Co.

The Manchuria Live-Stock Industry Company, which was established in August, 1937 as a semi-governmental corporation on a capital of 5 million yuan, half of which is paid-up, to play a leading role in the guidance and improvement of live-stock raising was reorganized into a special governmental corporation, simultaneously with collection of its unpaid capital to the amount of ¥2.500,000. The capital of the company was further increased at the end of April 1940 to ¥20,000,000 (authorized) of which ¥16,250,000 was paid up.

The Company, after its reorganization, undertakes the following enterprises: (1) The company will loan money to the live-stock exchanges to facilitate fair transactions. (2) Loaning money to the Agricultural Association. Besides, assisting its enterprises.

The Manchuria Live-Stock Industry Company, is also engaged in the manufacture of commodities from farm produce.

CHAPTER XVII

FORESTRY

The forest zones throughout Manchuria cover a total area of 73,790,000 hectares, including 21,651,000 hectares with standing trees and 52,145,000 hectares without standing trees. The volume of standing timber in the country is estimated at approximately 3,461,000,000 cubic meters, including 1,724,000,000 cubic meters of the broad-leaved class and 1,737,000,000 cubic meters of the needle-leaved class. The forests in Manchoukuo are mostly located within the frigid zone with only a small part within the temperate zone in the north. These forests are composed of more than 350 known species or plants including 29 species recognized as useful.

Needle-leaved Class: Korean pines, firs, spruce, silver firs etc. Broad-leaved Class: Oak, elm, birch, maple, walnut, lime, willow, acacia and poplar, etc.

Besidse serving as timber, these trees are utilized as material for the manufacture of pulp, railway ties, mine-posts, telegraph and telephone poles, charcoal and match-sticks. The production of timber has increased from 700,000-800,000 cubic meters, at the inauguration of the Manchoukuo regime, to 4,000,000-5,000,000 cubic meters as the result of an adjustment of the forestry administration and rapid progress in construction and building works. The forestry resources may be exploited to a greater extent on the strength of the increasing demand in Japan for timber for the manufacture of pulp and other purposes and along with the perfection of the means of transportation.

Simultaneously with the endeavor to promote the exploitation of the nation's forest resources, the Manchoukuo Government is working out a large-scale program for reforestation with a view to the permanent preservation of the nation's resources in this respect. It has been decided to establish a thirty-year reforestation program as the first-stage work in this connection on the basis of the survey now being conducted in regard to the forests and fields in the country. According to this plan, a total area

of tens of thousands of hectares will be reforested every year. This affords the hope that like various other foreign countries, Manchoukuo will succeed insecuring a large part of its territory to forests in the near future.

Distribution of Forest Zones

The forest zones of Manchoukuo principally lie in the northern and eastern sections, namely, in Kirin, Sankiang, Pinkiang, Chientao and Fengtien Provinces, and in some parts of Heiho, Lungkiang and Hsingan Provinces. According to the natural features of the land and artificial divisional environments, these forests zones are divided into ten forest districts, viz.—(1) The Yalu Valley forests, (2) the Tumenkiang Valley forests, (3) the Sungari Valley forests, (4) the Mutankiang forests, (5) the Lalin River Valley, (6) the Sanhsing forests, (7) the forest zone along the Harbin-Suifenho line (8) the Great Hsingan forests, (9) the forest zone along the western division of the North Manchuria Railway line, and (10) the Little Hsingan forests. Excepting the last named forests, these forest zones all occur in the former Kirin and Fengtien Provinces.

Before the foundation of Manchoukuo, little attention was paid to forests and fields. Forests were subjected to indiscriminate felling, and were left to the ravages of fires, with the result that only the natural forests in regions difficult of access remained, though these cover a very considerable area.

Since the establishment of Manchoukuo, the demand for timber has increased in a marked manner, involving no small import of foreign timber. The outbreak of the China Affair and the railway enterprise in North China on the one hand, and the increased production of pulp and extension of mining on the other heightened the demand for timber. To meet this situation, the Manchoukuo Government directed its efforts to the improvement of the forestry administration as well as of the traffic system, with a view to self-sufficiency in timber supply. In 1938, the production of timber was to have been 12,000,000 koku (one koku equals 10 cubic feet). The upward revision of the five year industrial programme included intensified production of timber as an important item.

The area covered by the standing trees is about 1.4 times the total area of Japan proper. It will be easy to supply timber to

Japan from the eight provinces of Manchoukuo namely, Antung, Fengtien, Kirin, Chentao, Pinkiang, Sankiang, Tunghua, and Mutankiang; while the forest resources of Lungkiang, Heiho, Chinchow, Jehol and the four Hsingan provinces will naturally be assigned for the domestic market.

Forest Area

The total forest area of Manchuria in 1938 was estimated by the forest authorities of the Manchoukuo Government at 87,740,000 hectares. Of this area about one-third is covered with trees, while the rest consists of moorlands. The volume of standing trees is estimated at 3,719,096,000 cubic meters, representing 1,476,647,000 cubic meters of needle-leaf trees and 2,242,450,000 cubic meters of broad-leafed trees.

Table 1. THE WEALTH OF FOREST BY PROVINCES
(1938)

	Area (1,000 hectares)			Volume of Standing Trees (1,000 cubic meters)		
Provinces:	With Trees	Without Trees	Total	Needle-leaf	Broad-leaf	Total
Kirin	997	3,613	4,610	121,640	70,732	192,372
Lungkiang	1,181	6,801	7,981	38,823	142,741	181,565
Heiho	4,681	4,184	8,865	297,294	514,609	811,903
Sankiang	2,603	4,675	7,277	187,146	255,389	442,535
Pinkiang	881	3,123	4,004	27,697	84,235	111,933
Mutankiang	1,238	2,792	4,031	21,922	81,649	163,571
Chientao	1,234	918	2,151	85,022	84,432	169,454
Antung	58	1,481	1,539	—	4,941	4,941
Fengtien	34	3,393	3,387	—	2,973	2,873
Tunghua	778	1,559	2,337	61,874	95,034	156,907
Chinchow	—	2,448	2,448	—	—	—
Jehol	62	6,589	6,651	1,671	3,984	5,655
4 Hsingan Provs.	8,197	24,261	32,458	573,557	901,831	1,475,388
Total	21,943	65,797	87,740	1,476,647	2,242,450	3,719,096

Timber Species

Viewed from the standpoint of dendrologists, certain forests of Manchoukuo belong to the same class at those of the northern part of the temperate zone. The principal, however, belong to the frigid zone, being more or less similar to the Hokkaido forests. Some three hundred species of trees are needle-leafed (coniferous) trees, and twenty-one broad-leafed (deciduous) varieties. Of the conifers, Korean pines (Pinus koraiensis) are distributed most extensively through the eastern and northwestern parts of the land. They live longer than any other trees and often grow to several feet in diameter reaching a height of more than a hundred feet. Next to the Korean pines, the species of larch (Larix Dahurica) grow straight and tall, challenging the supremacy of the Korean pines, in many places. Of the conifers, firs, spruce and silver firs are found in abundance. Among deciduous trees, there are several kinds of oak, elm, birch, maple, walnut, lime, willow, acacia and poplar. Forests of birch are peculiar to North Manchuria and are found intermingled with other forest growth. Birch forests are found along the North Manchuria Railway lines and over the Hsingan Ranges.

(1) Yalu District. Yalu timber consists of those descriptions which are supplied by the forests in the valley of the Yalu and in the upper course of its branch stream, or the Hunkian and sent to Antung through these rivers. They represent chiefly needle-leafed trees such as pines, cedars, etc. and supplied in 1938 a total of 682,698 koku (1 Manchoukuo koku equals 0.369 cubic meter) of timber.

(2) Kirin District. Kirin timber represents timber that is produced in the upper course of the Sungari and sent to Kirin by water. They are of the same species as Yalu timber. Output in 1938 was 1,372,676 koku.

(3) Chientao District. The Chientao timber is produced in the valleys of the Tumen and its branches and of the Hunchun. It accounted for 238,792 koku of timber in 1938.

(4) North Manchurian District. This comprises timber produced in the mountain ranges of Yaoyeh, Hsiaopai, Changkwangtsai, Mutanling and Harbin and sent to various points on the Pinsui Line. The production of this group amounted to 4,585,714 koku in 1938. Needle-leafed trees also occupy the greater part of the output.

Production. The annual production of timber was 3,800,000 to 3,900,000 koku in the few years preceding the foundation of the Empire. With the growing improvement of various systems and institutions, timber output began to recover from 1934 and registered 6,889,871 koku in 1938.

Consumption. The average consumption of timber in the five years preceding the founding of the Empire is put at roughly 3,400,000 koku. At the time of the opening of the country timber consumption decreased by over 1,000,000 koku due to the stagnation of various undertakings. With the development of construction works, however, the consumption soon began to increase swiftly reaching 5,000,000 koku in 1932, 6,200,000 koku in 1934 and 6,309,000 koku in 1936. In the past the use of timber had been confined chiefly to construction materials in general, sleepers, spikes, fuel, etc. In view, however, of the recent growth of the forest products industries, especially the manufacture of pulp, it is generally observed that timber consumption in Manchoukuo will greatly increase in the future.

The demand and supply of timber since 1932 is as follows:

Table 2. DEMAND AND SUPPLY OF TIMBER

(Unit: in 1,000 Cubic Meters)

	Output		Import		Export		Consumption	
	Amount	Index	Amount	Index	Amount	Index	Amount	Index
1932	897	67	136	19	221	163	812	43
1933	1,001	74	508	72	110	67	1,400	74
1934	1,346	100	709	100	163	100	1,892	100
1935	1,839	137	531	75	208	128	2,161	114
1936	1,845	137	403	57	164	101	2,058	110
1937	2,771	206	527	74	137	84	3,161	167
1938	3,557	264	731	103	124	76	4,164	220
1939	4,000	300	—	—	—	—	4,900	260

The output of timber products by districts is as follows.

Table 3. FORESTRY OUTPUT BY DISTRICTS AND KINDS (1938)

(Unit in 1,000 new Manchoukuo "Koku"; one "Koku" 0.369 cubic m.)

District:	General Lumber	Special Lumber			Total incl. logs	Grand Total	Others (1,000 piculs)	
		Telegraph Poles	Spikes	Sleepers			Firewood	Charcoal
Yalu District	377	17.2	147	91	316	693	81.5	605
Kirin „	988	4.4	82	238	385	1,373	55.8	191
Chientao „	185	3.2	8	20	54	239	37.8	114
North Manchuria District ...	2,782	220.0	220	914	1,804	4,586	177.4	628
Eastern Section	910	22.1	40	99	316	1,226	34.8	86
Northern „	545	20.7	—	19	90	635	31.6	138
Hsingan „	283	175.4	105	646	962	1,246	20.2	87
Sungari „	1,043	1.8	75	150	436	1,479	90.8	316
Total	4,331	244.8	467	1,264	2,559	6,890	352.5	1,538

The activity of guilds of lumber producers in Manchoukuo, and the scope of their business is shown in the following table:

Table 4. OUTLINE OF LUMBER PRODUCERS' GUILDS IN MANCHOUKUO

(End of 1937)

(Member Companies of Association of Manchuria Lumber Producers' Guilds)

	Member cos.	No. of mills	Capital (M¥1,000)	Lumbering machines	No. of workers	Lumbering capacity per day (cub. ft.)	Output in 1937	
							Volume (1,000 Cub. ft.)	Value (M¥1,000)
Harbin	34	4	2,000	80	839	19,800	3,200	4,300
Tunhua	25	3	712	40	246	7,900	810	1,025
Tumen	18	4	3,040	60	281	8,100	1,212	1,429
Fushun	2	2	100	11	54	1,810	315	4,725
Anshan	4	—	—	—	—	—	—	—
Antung	23	1	1,000	229	1,241	30,000	4,800	5,182
Kirin	68	7	2,790	133	939	19,300	4,367	5,885
Hsinking	25	10	1,515	145	939	24,000	4,814	6,643
Mutankiang	20	4	1,155	120	1,036	22,460	2,473	3,032
Lungtsing	16	2	600	39	415	4,790	5	8
Fengtien	13	5	4,274	64	284	8,800	1,750	2,620
Total	248	42	17,185	921	6,274	146,960	23,746	30,596

Export and Import of Timber. In the few years preceding the Manchurian Incident the foreign trade of Manchuria in timber yearly amounted to 850,000 to 1,400,000 koku in exports and to 500,000 to 850,000 koku in imports, resulting in an export excess of 100–900,000 koku. Directly after the incident the trade considerably shrivelled. Soon after the establishment of the new Empire, however, the demand for timber increased in marked manner due to the growth of various construction works, so much so that even the expansion in timber production as stated above proved woefully insufficient with the result that the country turned from a timber exporter to an importer. Total timber imports in 1938 were valued at ¥23,967,000, of which ¥20,729,000 was accounted for by Japan.

Exports of timber consist chiefly of the Yalu description, the major part going to Korea and a small portion to North China. A modest quantity of superior grades of Chientao and North Manchurian products is also sent to Japan and China.

Table 5. EXPORT OF TIMBER AND WOOD

	1938 Volume (Cubic meters)	1938 Value (M¥)	1939 Volume (Cubic meters)	1939 Value (M¥)	Increase or Decrease (M¥)
Timber:					
Logs & Cants	83,698	2,975,026	18,796	701,309	–2,273,717
Sawn	39,934	2,743,067	4,178	556,730	–1,186,337
Others	—	36,085	—	2,722	– 33,363
Total	—	4,754,178	—	1,260,761	–3,493,417
Railway Sleeper (pieces)	123,252	192,968	34,493	66,724	– 126,244
Plywood (kilograms) ..	175,758	38,406	257,171	83,704	45,298
Grand Total	—	4,985,552	—	1,411,189	–3,574,363

Table 6. IMPORT OF TIMBER AND WOOD

	1938 Volume (Cubic meters)	1938 Value (M¥)	1939 Volume (Cubic meters)	1939 Value (M¥)	Increase or Decrease (M¥)
Hardwood:					
Logs & Cants	6,926	271,194	11,844	875,725	604,531
Sawn	12,170	767,229	14,499	1,481,805	714,576
Iron wood, etc.	—	92,141	—	206,253	96,112
Others	—	163,349	—	180,831	17,482
Total	—	1,352,591	—	2,752,089	1,399,498
Softwood:					
Scaffolding Poles	42,079	1,322,667	108,537	4,807,232	3,484,565
Mine Pillars	124,759	1,653,177	31,959	567,397	–1,085,780
Other logs & Cants ..	61,617	2,255,641	147,351	7,643,414	5,387,773
Sawn	155,921	7,421,406	742,676	46,251,381	38,829,975
Total incl. Others ..	—	12,816,231	—	59,450,255	46,634,024
Railway Sleeper	9,581	242,039	52,423	2,531,661	2,289,622
Plywood (m. tons) ..	6,914	1,806,081	15,304	5,306,088	3,500,007
Flooring	—	412,754	—	1,145,366	732,612
Grand Total	—	16,599,772	—	73,240,602	56,640,830

The timber industry, as interpreted in indices, reveals a striking advance in prices. Timber output has been more than doubled in the years from 1934 to 1938, inclusive, as the following table shows:

Table 7. INDICE OF TIMBER INDUSTRY

	Timber Wholesale price (Hsinking)	Output	Consumption	Construction contract amount
1934	86.0	90.7	73.0	114.0
1935	84.7	103.7	99.7	110.4
1936	100.0	100.0	100.0	100.0
1937	133.9	151.6	150.2	119.3
1938	203.1	199.7	172.8	215.8
1939	251.1	—	—	—

The number and location of forestry offices in Manchoukuo is given below:

Table 8. FORESTRY OFFICES IN MANCHOUKUO

(Oct. 1941)

Office:	Pref.	Prov.	Office:	Pref.	Prov.
Chaoyang-chen	Hailung	Fengtien	Poli	Poli	Sankiang
Antung	Antung C.	Antung	Hulin	Mishan	Tungan
Tunghua	Tunghua	Tunghua	Chiamussu	Chiamussu C.	Sankiang
Fusung	Fusung	”	Tangyuan	Tangyuan	”
Hunchun	Hunchun	Chientao	Tungho	Tungho	”
Tumen	Yenki	”	Suihua	Suihua	Peian
Hwa-tien	Hwa-tien	Kirin	Peian	Peian	Peinan
Lungtsing	Yenki	Chientao	Heiho	Aigun	Heiho
Tunhua	Kirin C.	Kirin	Tsitsihar	Tsitsihar C.	Lungkiang
Wuchang	Wuchang	Pinkiang	Chalan-tun	Chiterha Bnr.	E. Hsingan
Harbin	Harbin C.	”	Sanho	Noerkona L. Banner	N. Hsingan
Imienpo	Chuho	”	Hailar	Hailar C.	”
Mutankiang	Mutankiang C.	Mutankiang	A-ar-shan	Hsinpaerhu L. Banner	”
Ningan	Ningan	”	Chengteh	Chengteh	Jehol
Mulin	Mulin	Mutankiang			

Pulp Industry

In view of the heavy demand for pulp for paper manufacturing as well as for rayon and other products, the government has been encouraging the pulp industry. There were in 1940 five large pulp companies with an aggregate nominal capital of ¥50,000,000 and with an annual production capacity of 72,000 metric tons. These companies were affiliated with the Japanese interests of Oji, Terada, Kawanishi and Ohkawa. The Government is reported to have alloted to each company an annual production quota of 10,000 metric tons in 1938 and 15,000 metric tons in the succeeding years.

There are many kinds of timber used for the manufacture of pulp, but by far the most extensively used are acerose trees, chiefly ezomatsu (Picea ajanensis) and todomatsu (Abies sachalinensis). In Manchuria the Chinese cypress and white furs (Abies firma) are especially used.

The Department of Industry of the Manchoukuo Government in 1935 estimated the volume of acerose trees at 5,300 million koku (1 koku equalling 120 board feet) and that of latifoliate trees at 8,000 million koku. Taking these figures as the basis for computation, it is deduced, in considering the Government's forestry preservation policy, that about 140 million koku (in weight 3.5 koku is equal to 1 metric ton) of pulp material can be obtained from the total amount of ezomatsu and todomatsu in the country, estimated at 570 million koku. If 70 years is regarded as the generation period (the period which a tree requires to attain sufficient growth to be used as pulp material) it is estimated that annual production of pulp material from ezomatsu and todomatsu actually possible will be 2,050,000 koku. Even if 60 years is considered as the generation period, the possible amount would be only 2,390,000 koku or 670,000 tons. Thus in order to meet the shortage of over 420,000 tons in Japan, other trees besides the foregoing ezomatsu and todomatsu will have to be utilized for pulp manufacturing.

Besides wood pulp, reeds growing on the banks of the Liao, Yalu and Sungari rivers and in the Takushan district, Antung Province, have in recent times come to be used as raw material for the pulp industry. The pioneer in this field is the Kangte Reed Pulp Company in Yingkow, established by the Kanegafuchi Spinning Company of Japan in 1936. Excellent pulp is being manufactured from reeds by this company. A process of manufacturing staple fibre from soya bean stalks has also been discovered and is being employed by the Manchuria Bean Stalk Pulp Company, which was founded at Kaiyuan in September, 1937.

From the standpoint of management, the pulp industry in Manchuria is fairly inferior to that in Karafuto because the high cost of wood, the poor quality of materials and transportation inconveniences make it considerably difficult to place the Manchuria industry on a paying basis. Moreover, such factors as electric power, water utilization, transportation facilities and chemical materials are by no means favourable to the industry.

Table 9. PULP COMPANIES IN MANCHOUKUO AND KWANTUNG
(End of Sept. 1940)

	Nominal Capital (M¥1,000)	Capacity per year (M. tons)	Affiliation	Factory
Yalu Seishi Pulp Co.	5,000	18,000	Oji Interest	Antung
Manchuria Pulp Co.	10,000	15,000	Mitsubishi ,,	Hualin
Nichi-Man Pulp Co.	10,000	15,000	Oji ,,	Tunhua
Toyo Pulp Co.	10,000	15,000	Kawanishi ,,	Tungchingcheng
Toho Pulp Ind. Co.	30,000	15,000	Kanebo ,,	Kaishantun
Chinchow Pulp Co.	30,000	15,000	Oji ,,	Chinchow
Kangteh Reed Pulp Co. ..	5,000	15,000	——	Yingkow
Manchou Bean Pulp Co.	10,000	15,000	Nomura ,,	Fengtien
Total	110,000	138,000	——	——

Forests in Kwantung Province

On the establishment of the Government of Kwantung, the problem of reforestation was immediately taken up, and as an initial step, nursery farms were established at Port Arthur, Dairen and Chinchow with an aggregate area of 400 chobu or 1,000 acres, for the purpose of supplying saplings for the work undertaken by the Government. In order to encourage the general public in this useful undertaking, the Government rented forest land, free of charge, to those desirous of growing timber, supplying seeds and young trees gratis. Moreover, regulations have also been issued for the protection of forests. These measures have had the desired effect, and, with the increasing interest taken by the public in the matter of reforestation, many nursery farms owned by villagers have been established.

Table 10. AREA OF FORESTS IN KWANTUNG BY OWNERSHIP
(Unit in Cho; 1 Cho=2.45 acres)

	Area of Forest			Area of Afforestation			
	Government	Private	Total	Gov't	Public	Private	Total
1932	78,613	15,523	94,136	301	760	952	2,014
1933	78,701	15,455	94,146	303	702	685	1,690
1934	78,138	15,744	93,883	276	493	724	1,494
1935	72,457	20,422	92,878	111	237	648	996
1936	66,535	23,899	90,434	49	241	429	718
1937	59,219	30,424	89,643	256	167	383	806
1938	58,209	30,394	88,593	208	195	345	748
1938:							
Dairen	5,437	37	5,474	78	—	17	95
Port Arthur ..	25,700	7,201	32,901	29	23	3	55
Chinchow	13,414	6,900	20,104	101	11	26	138
Pulantien ...	8,921	12,041	20,962	—	145	189	334
Pitsuwo	4,737	4,215	8,952	—	16	110	126

CHAPTER XVIII

FISHERIES

Being a continental nation, Manchoukuo is not so much favored by the sea and its coast-line extends only less than 900 kilometers. However, it has many great rivers of world-fame including the Amur, Sungari, Nonni, Ussuri and Liao Rivers. The number of rivers which have a flowing course of over 300 kilometers reaches forty in number, and in the valleys of these rivers there lie many large lakes. It is a fact that the expanse of river waters in Manchoukuo is always mentioned together with the Yangtze valley in China.

Following are detailed figures showing the length of the important rivers in Manchoukuo, together with the water expanse of the leading lakes and the length of the coast line:

Table 1. LENGTH OF IMPORTANT RIVERS

	Main stream (kms.)	Tributaries (kms.)
Sungari	1,662	3,959
Nonni	1,080	3,544
Argun	1,423	3,294
Amur	1,810	1,882
Ussuri	900	1,615
Tumen	521	575
Suifen	424	461
Liao	1,313	3,347
Luan	884	1,565
Yalu	790	750

Water expanse of leading lakes are as follows:

Table 2. WATER EXPANSE OF LEADING LAKES

	kms.
Hanka	4,500
Dalai-nor	1,595
Buir-nor	568
Tali-nor	386
Pilteng	180

The length of the coast line in kilometers is as follows:

Gulf of Pechili, 648; Yellow Sea, 261.

In view of the foregoing more attention is paid to the fishery products from fresh water than from the sea, although marine products can by no means be slighted. Both the Gulf of Pechili and the Yellow Sea are shallow waters along the coast line of Manchuria, having much mud poured out by rivers and abounding in organisms. Accordingly many fish come here to feed or spawn, which makes the waters an excellent fishing ground in spite of the small area.

The operations for catching sea fish are conducted by taking advantage of the ebbs and flows, using stationary facilities such as nets and weirs which are found everywhere along the coast. Fishing further off and deep-sea fishery are not developed for various reasons, including the absence of good home bases for such operations and the lack of resources and technique on the part of the fishermen of the country. Even today the Manchoukuoan fishermen are almost entirely without motorized vessels, leaving operations to be monopolized by the fishermen from the Kwantung Leased Territory, Chosen, Japan Proper and Shantung Province in China. When the construction work on the Hulutao harbor is completed, however, adequate home bases for deep-sea fishing operations by Manchoukuoans should be established.

On the other hand, the numerous rivers in the country have an exceedingly wide expanse of water which contains a great deal of nourishment for keeping fish. These rivers already rank with the noted rivers of Siberia as fishing grounds. In this connection it must be noted that while only the Dalai-nor system, the Nonni River and a part of the Sungari River have been developed as fishing grounds, the greater part of the fishery resources of the country has been left unexpoited for such reasons as poor means of communications, imperfect facilities for the maintenance of peace and order and lack of other facilities. But peace and order are now well maintained and the communications system is being steadily improved and expanded.

Fishing Equipment

Representative methods for catching river fish in Manchoukuo consists of great nets, weirs and pingtsaotzes. The operation of drag nets reaching 1,000 meters in length, which are dropped through broken ice of about one meter thick, handled by many horses or over 100 persons working together, is certainly an impressive sight in Manchoukuo in winter. The utilization of weirs and pingtsaotzes are both interesting fishing methods peculiar to the rivers in North Manchuria which take advantage of the rise and fall of the rivers. The operation of weirs takes nearly one whole year to complete, the preparations starting in the spring, while the fishing is conducted in the winter, and this method strongly reflects the easy-going habits of the continental people.

A feature of river fishing lies in the fact that the operations are conducted during the season of intense cold. The fish thus caught immediately become frozen, and in a land like Manchuria, where means of communications, storage and transportation facilities are still imperfect, climatic conditions favor the fishermen. Once winter set in, the market increases in activity and shipments of fish start moving. Time was when carp caught in the Dalainor Lake were shipped as far as Moscow and Berlin, and even now fishery products of Manchoukuo are found on the market in North China.

It has been ascertained that there are 136 varieties of fish and shell fish in Manchoukuo's rivers. Those belonging to the family of ''Cyprinus Carpio'' account for 80 per cent, followed by those belonging to the ''Salmonidae.'' Many of these are of great economic value.

The principal sea fish as involved in the Manchoukuo industry comprise the lobster, shrimp, guchi (Huang Hua Yu), hairtail, mackerel, sawara (Scombremorus Niponium) and oysters. The Gulf of Pechili yields guchi (Huang Hua Yu), lobster, shrimp, gray mullet and hira (Ilisha Elongata).

The production of fish and shell fish is estimated at 109,000 metric tons, valued at 10,000,000 yuan annually, including 42,000 metric tons of sea products valued at 3,000,000 yuan and 67,000 metric tons of river products valued at 7,000,000 yuan. These figures represent a three fold increase in either category as compared with statistics compiled before the foundation of the new Empire of Manchoukuo.

Statistics on fishery are subjoined:

Table 3. NO. OF FISHING HOUSEHOLDS AND POPULATION IN KWANTUNG PROVINCE

Permanently Occupied

Year	Japanese		Manchoukuoans		Total	
	No. of households	Population	No. of households	Population	No. of households	Population
1929 ……	82	141	5,694	19,664	5,776	19,805
1930 ……	89	328	5,648	14,583	5,737	14,911
1931 ……	87	372	5,625	14,592	5,712	14,964
1932 ……	95	419	5,299	12,108	5,394	12,527
1933 ……	114	450	4,921	13,065	5,035	13,515
1934 ……	110	449	4,891	12,942	5,001	13,391
1935 ……	105	472	4,749	12,955	4,854	13,427
1936 ……	106	523	4,541	12,604	4,647	13,127
1937 ……	174	803	4,272	11,469	4,446	12,272
1938 ……	161	998	3,460	11,159	3,621	12,157

Partially Occupied

Year	Japanese		Manchoukuoans		Total	
	No. of households	Population	No. of households	Population	No. of households	Population
1929 ……	9	15	3,555	10,246	3,564	10,261
1930 ……	27	38	3,795	9,375	3,822	9,413
1931 ……	30	29	3,757	8,413	3,787	8,442
1932 ……	24	24	2,963	5,715	2,987	5,739
1933 ……	20	27	4,012	9,614	4,032	9,641
1934 ……	20	22	3,901	9,925	3,921	9,947
1935 ……	12	12	3,895	9,983	3,907	9,995
1936 ……	23	23	4,151	10,426	4,174	10,449
1937 ……	26	42	4,085	10,669	4,111	10,711
1938 ……	26	76	4,052	13,113	4,078	13,189

Table 4. FISHERY CATCH CLASSIFIED

(1938)

	Qty. (M. tons)
Nonni River ……	27,500
Sungari River main stream ……	16,500
Dalai-nor System ……	300
Liao River ……	2,100
Ussuri River ……	1,790
Amur River ……	950
Yalu River ……	1,250
Total incl. other rivers ……	50,904

(Continued)

	Qty. (M. tons)
Pilteng Lake	150
Talinor	150
Dalai-nor	4,500
Hanka Lake	125
Total incl. others lakes	57,890

Table 5. NO. OF FISHING CRAFTS IN KWANTUNG PROVINCE

Year	Junks	Sampans	Japanese type	Foreign type	With engines	Transport boats	Total
1929	957	4,999	195	—	82	49	6,282
1930	1,093	4,791	161	1	115	68	6,229
1931	1,092	4,679	179	—	133	72	6,155
1932	965	4,839	142	—	150	64	6,160
1933	911	4,898	131	—	162	69	6,171
1934	875	4,931	115	—	167	59	6,147
1935	858	4,823	106	—	170	149	6,106
1936	854	4,719	115	—	176	113	5,977
1937	753	4,550	80	—	189	253	5,825
1938	4,765				247	288	5,300

Table 6. MARINE CATCHES IN KWANTUNG PROVINCE

(Unit: Volume in 1,000 Kwan; 1 Kwan=3.75 kilograms; Value in M¥1,000)

Year	Sea-bream		Cod		Hair-tail		Guchi		Scom-beremorus		Halibut	
	Vol.	Val.	Vol.	Val.	Vol.	Val.	Vol.	Val.	Vol.	Val.	Vol.	Val.
1932	797	183	2,622	734	917	350	2,445	748	386	357	1,595	440
1934	30	169	1,399	395	1,340	437	3,492	1,176	365	361	1,424	598
1935	62	229	1,329	381	1,223	395	3,379	1,292	375	358	1,938	755
1936	45	162	1,832	507	1,100	338	5,015	1,716	282	319	2,298	796
1937	30	141	1,916	461	1,378	480	5,259	2,110	174	260	2,104	797
1938	—	177	—	870	—	607	—	2,512	—	325	—	947

(Continued)	Lateola-brax		Batoidei		Lepido-trigla*		Sea-Cucumber		Prawn & Shrimp		Total incl. Others Value
	Vol.	Val.	Vol.	Val.	Vol.	Val.	Vol.	Val.	Vol.	Val.	
1932	54	46	523	101	448	94	132	103	334	407	4,104
1934	53	63	755	124	342	118	115	115	404	662	5,016
1935	68	78	881	156	580	161	118	121	286	596	5,519
1936	68	75	1,079	165	625	148	133	139	260	538	5,783
1937	49	66	968	152	620	159	185	150	568	1,547	7,462
1938	—	99	—	151	—	215	—	69	—	1,914	9,245

Note: * Includes gurnet.

Table 7. AMOUNT AND VALUE OF MARINE MANUFACTURES IN KWANTUNG PROVINCE

Year	Preserved and dried articles		Finished articles		Total	
	Quantity (Kwan)	Value (Yen)	Quantity (Kwan)	Value (Yen)	Quantity (Kwan)	Value (Yen)
1929	1,657,245	1,141,895	99,351	192,343	1,774,596	1,334,238
1930	1,623,218	1,151,380	84,790	188,194	1,708,008	1,339,574
1931	1,562,667	911,492	86,783	189,839	1,649,450	1,101,331
1932	1,500,213	959,782	85,074	201,654	1,585,287	1,161,436
1933	1,588,508	965,482	85,907	214,942	1,674,415	1,180,424
1934	914,741	798,130	88,876	223,074	1,003,617	1,021,204
1935	1,056,159	667,429	87,224	210,010	1,143,383	877,439
1936	911,643	625,092	92,491	225,127	1,004,134	850,217
1937	891,573	576,581	50,172	114,912	941,745	691,493
1938	—	664,306	—	540,725	—	1,205,031

Table 8. EXPORTS & IMPORTS OF MARINE PRODUCTS

Year	Import		Export		Excess of Import		%	
	Quantity (Piculs)	Value (Hk. Tls.)	Quantity (Piculs)	Value (Hk. Tls.)	Quantity (Piculs)	Value (Hk. Tls.)	Import	Export
1928	497,105	4,501,101	105,763	720,208	391,342	3,780,893	86.2	13.8
1929	489,637	4,403,861	160,626	859,229	239,011	3,544,632	83.7	16.3
1930	375,284	4,415,827	107,413	725,010	267,871	3,690,817	85.9	14.1
1931	158,228	2,974,735	138,823	1,065,842	19,405	1,908,893	73.6	26.4
1932	324,297	7,394,836*	99,826	1,947,744*	224,471	5,447,092*	79.1	20.9
1933	460,411	8,169,789*	122,839	480,780*	337,572	7,689,009*	94.9	5.1
1934	401,315	8,237,951*	64,686	406,173*	336,629	7,831,778*	95.3	4.7
1935	381,259	8,552,935*	71,556	543,429*	309,703	8,009,506*	94.0	6.0
1936	—	12,004,674*	—	356,634*	—	11,648,040*	97.3	2.7
1937	—	20,584,738*	—	422,192*	—	20,162,546*	97.9	2.1
1938	—	17,136,000*	—	815,567*	—	16,321,000*	95.2	4.8
1939	—	47,858,000*	—	1,429,353*	—	46,429,000*	97.1	2.9

Note: * represent M¥

Salt

Salt also much be mentioned here as an important item of the marine resources of Manchoukuo. In spite of the short coast line the country has numerous dry beaches containing salt fields, and as weather conditions are also favorable for the manufacture of salt it is considered a very promising salt-producing district like that of the Kwantung Leased Territory. The production of salt in Manchoukuo for the year 1938 amounted to 222,613 metric tons while Kwantung accounted for 424,342 metric tons.

Table 9. SALT PRODUCTION IN MANCHURIA

	Manchoukuo		Kwantung		Total	
	Area (Cho)	Output (m. tons)	Area (Cho)	Output (m. tons)	Area (Cho)	Output (m. tons)
1934	8,295	168,268	7,080	249,367	15,375	418,135
1935	14,643	396,310	8,653	505,809	23,296	902,119
1936	14,678	372,711	9,024	413,084	23,702	785,385
1937	13,879	334,549	9,082	429,188	22,961	763,737
1938	13,984	222,613	9,082	424,342	23,066	646,955

When the operation of all existing salt fields now under suspension is resumed, and efforts for improvement of the quality realized, it may be expected that annual production will readily exceed the 423,000 metric ton mark. Further, if the dry beaches scattered along the coast line of the country are all developed as salt fields, the production of salt will no doubt be increased several times. At the same time, increasing demand for industrial salt commensurate with expansion of industry in Japan and Manchoukuo will facilitate development of salt recovery and refining in the new empire.

Table 10. DEMAND AND SUPPLY OF SALT

(Unit: M. tons)

(A) Manchoukuo

	Government Sale	Commercial Sale	Export of Industrial Salt	Others	Loss	Carried to following year	Total
1934	74,956	126,543	98,533	4,931	18,870	302,796	323,833
1935	85,210	120,280	75,280	3,578	17,471	396,609	302,497
1936	99,197	155,234	110,747	4,998	41,968	356,767	412,144
1937	273,372		115,000	—	—	235,214	388,372
1938	325,808		70,386	—	—	—	—

(B) Kwantung

	Export						
	Japanese monopoly	Industrial use	Chosen	Karafuto	Consumption	Carried to following year	Total incl. others
1934 ...	55,502	103,675	71,675	19,498	19,393	—	269,792
1935 ...	48,512	129,993	35,351	23,542	23,692	326,563	261,997
1936 ...	47,891	195,768	31,786	17,366	24,764	449,205	331,694
1937 ...	47,016	380,666	56,978	26,999	47,136	250,879	561,963
1938 ...	137,899	163,566	62,961	32,951	101,635	174,123	502,042

The Manchuria Salt Industry Company. The Manchuria Salt Industry Company, a joint Manchoukuo-Japan enterprise, was organized on April 27, 1936, and under the supervision of the Department of Industry, the company is engaged exclusively in the production, sale and exportation of Manchurian salt. The Japanese interests investing in the company include: Oriental Development Co., South Manchuria Railway Co., Dai-Nippon Salt Industry Co., Tokuyama Soda Co., Asahi Glass Mfg. Co., Japan Soda and the Bleaching Powder Manufacturers' Association.

According to the Company's program extending over eight years, the area of the company's salt fields in Manchoukuo will be expanded to 20,574 hectares and annual production will be raised to 847,100 tons. Including the salt produced by private enterprises, estimated at 470,000 tons, the total output in Manchoukuo (excluding the Kwantung Territory with an annual production of 600,000 tons) will reach 1,323,869 tons yearly. Of this amount, 720,000 tons are expected to be exported to Japan.

Table 11. SALT PRODUCTION PROGRAM

(Unit: 1,000 metric tons)

	By Manchuria Salt Ind. Co.	Other plants	Total
1939	0.2	222.3	222.5
1940	14.1	392.7	406.7
1941	87.6	416.4	504.0
1942	232.1	440.9	673.0
1943	451.2	476.3	927.6
1944	668.0	476.7	1,144.7
1945	808.9	476.7	1,285.6
1946	847.1	476.7	1,323.9

CHAPTER XIX

MINING

Introductory

The abundance of mineral resources in Manchuria is well known both at home and abroad, but there are still many deposits the estimates of whose economic value must await the outcome of careful investigations to be conducted in the future. The useful mineral resources ascertained so far are gold (placer), iron and lead among the metallic minerals, and coal, magnesite, fire clay and oil shale among the non-metallic minerals. These deposits are found in abundance and constitute the principal mineral resources of the country. The estimated deposits of the principal minerals, according to investigations conducted so far and the production of minerals in recent years are as follow:

Table 1. MINERAL RESOURCES (1938)

	Metric tons		Metric tons
Coal	11,437,265,000	Fire Clay	100,000,000
Iron Ore	1,513,790,000	Alumina Shale	25,318,000
Oil Shale	7,628,000,000	Gold Ore (kgs.)	6,000,000
Magnesite	5,000,000,000		

Table 2. OUTPUT OF PRINCIPAL MINERALS

	Iron Ore (1,000 m. tons)	Sulphuric Iron Ore (m. tons)	Gold (Kg.)	Lead Ore (m. tons)	Copper Ore (m. tons)	Manganese Ore (m. tons)	Coal (1,000 m. tons)	Oil Shale (m. tons)
1926	1,117	2,756	1,674	2,823	495	245	7,855	–
1930	832	3,028	1,478	—	840	609	10,159	981
1934	1,105	7,770	464	269	—	653	10,433	2,106
1935	1,463	9,110	1,887	1,490	—	600	11,056	3,437
1936	1,934	5,748	3,657	16,713	—	355	11,646	3,648

	Magnesite (m. tons)	Soap-stone (m. tons)	Dolomite (m. tons)	Lime-stone (mi tons)	Asbestos (m. tons)	Fire-clay (m. tons)	Silica (m. tons)	Felspar (m. tons)
1926	20,000	34,906	83,336	270,333	63	37,781	19,724	667
1930	29 016	25,726	116,925	688,489	110	53,664	20,000	500
1934	78,752	75,360	166,758	655,647	119	137,471	154,930	3,979
1935	156,586	70,572	171,033	855,267	70	181,730	148,754	29,874
1936	336,853	82,878	283,908	1,262,154	69	164,380	43,877	14,106

The Coal Mining Industry

Quantitative production of coals is indispensable for the realization of the complete self-supply of fuel, which is one of the fundamental policies of Manchoukuo. As yet, however, the total amount secreted in the vast area of 1,300,000 square kilometres of continental Manchoukuo is undetermined, but surveys to the present have revealed that supplies must reach almost astronomical figures.

Prior to the Manchurian Incident of 1931, an extensive geological survey was impossible on account of the poor transportation facilities and unstable internal political conditions, but according to the report published by the Geological Research Institute of the South Manchuria Railway Company in 1932, the volume of coal deposits in Manchuria was estimated at 4,800 million metric tons. Later investigations by the Manchuria Coal Mining Company and other bodies, however, increased this figure to over 20,000 million metric tons.

This enormous increase was due mainly to the discovery of large coal-fields at Fuhsin, Hokang, Titao and Chalainor. The deposits in the Fuhsin coal-field, for instance, were formerly estimated at 1,100 million metric tons, with a coal layer 20 metres deep, but the experimental borings of the Manchuria Coal Mining Company have proved the existence of another three layers, the aggregate depth of which, together with the previously known layer, reached 100 metres, and necessitated a revision of the total volume of deposits in the field from 1,100 million to 4,000 million metric tons.

The area covered by geological investigations up to the present is yet very limited, the vast area of the country still being left unsurveyed, and the amount of deposits yet hidden from human knowledge in the districts where the surveyors have not yet penetrated is still a matter for conjecture. It is hoped, however, that adequate reports will soon be available.

Distribution of Coal-fields

Coal veins in Manchoukuo may be divided into two by a line connecting Chihfeng at the south-western border of the country with Hokang in the north-eastern section as the demarcation. While the south-eastern section has many coal-fields, the north-western section has but few, the explanation of such a sectional existence of the mines discovered being attributable to the fact that in the northwestern section there run from north to south the various ranges of the Great and Small Hsingan mountains, and the great masses of igneous rocks exposed to the weather allow the formation of coal-fields only in the narrow patches of land in between. The non-discovery of coal-fields in these practically unvisited wild mountainous regions can, then, be well understood. On the other hand, the southeastern section contains but few igneous rocks, and as man has inhabited the region in considerable numbers from olden times, the advance of culture with its consequent progress in traffic has made it opportune for eager entrepreneurs to seek out and develop the many excellent coal-fields in these districts.

Pointing out the important coal-fields according to the two geographical sections mentioned above, we may note in the south-eastern section, Fushun, Penhsihu, Yentai and Niuhsintai among the old ones; and Hokang, Sanhsing, Titao, Chientao, Fuchou, Hsian, Tunghua, Pataohao, Fuhsin, Peipiao and Chihfeng among the newer ones which are either already operated or to be operated in the near future. On the other hand, the north-western section has only such coal-fields as the Chalainor, Kanho, Solun, Lupei and Linhsi, the first mentioned alone being operated at present. As a matter of fact, Japanese investigations in North Manchuria were hindered by the strong influence of the Russians prior to the Manchurian Incident. They were, however, able to extend their economic and industrial activities in the regions along the South Manchuria Railways in South Manchuria, though the general survey of the mines in the northwestern section was much delayed.

Table 3. PRINCIPAL COAL MINES

(A) Manchuria Colliery Co. Management

Mine:	Location:	Kind:	Estimated Deposit (1,000 m. tons)
Fuhsin	**Fengtien**	**Bituminous**	4,000,000
Patakou	„	**Anthracite**	28,900
Hsian	„	**Bituminous**	270,000
Peipiao	**Chinchow**	„	203,000
Hekank	**Sankiang**	„	5,000,000
Titao	**Tungan**	„	380,000
Fuchow	Fengtien	Anthracite	6,930
Chalainor	Hsingan N.	„	3,980,000
Huolung	Chientao	Bituminous	70,000
Tienshihfu	Fengtien	„	167,000
Tungning	Mutankiang ...	„	21,500
Chengtzuho*	Tungan	„	355,000
Hongshan*	„	„	655,000
Shulan Office*	Kirin	—	478,000
Sansing „	Sankiang	—	334,000

(B) S.M.R. Management

Mine:	Location:	Kind:	Estimated Deposit (1,000 m. tons)
Fushun	Fengtien	Bituminous	950,000
Chiaoho	Kirin	„	456,000
Yentai	Fengtien		40,000
Total incl. others			1,417,700

Note: * Mines not yet operating.

Table 4. ANALYSIS OF COAL CLASSIFIED

	Moisture %	Ash %	Volatile matter %	Fixed carbon %	Calories	Sulphur %
Fuhsin (1)	10.75	8.77	33.23	47.29	6,229	1.09
„ (2)	6.95	7.45	35.75	49.85	6,907	0.60
Pataokou	12.65	10.35	33.54	43.45	5,685	2.54
Peipiao	1.74	15.23	31.53	51.50	6,849	0.65
Hekang	1.36	9.76	32.62	56.24	7,221	0.29
Titao	0.73	14.97	19.88	64.42	7,292	0.45
Tienshihfu	0.65	15.01	9.98	74.36	7,200	0.40
Huolung	8.16	12.27	33.41	46.16	6,014	1.28
Fuchow (1)	1.46	12.22	8.91	77.41	7,271	0.73
„ (2)	1.21	14.93	9.82	74.04	7,100	2.76
Tungning	2.11	25,87	39.17	32.85	5,515	0.26
Hsian	4.29	10.18	36.13	49.40	6,493	0.60
Shulan Office ..	12.40	14.82	38.45	34.33	5,122	0.15
Chalainor	20.47	3.82	37.61	38.10	5,106	0.40

Geological Formation

The geological formation of Manchuria may be divided into two, taking North Latitude 42° 15′, which runs between Mukden and Tiehling, as the demarcation line. In the regions to the south of the line, which include the Liaotung Peninsula and Korea, the Palaeozoic stratum appears and the coal-fields belong to the Permian carboniferous period, causing great masses of anthracites to be found in the Fuchou and Yentai fields and much high grade bituminous coals in the Penhsihu and Tunghua fields. On the contrary, the regions to the north of the demarcation line expose the Mesozoic stratum and all the coal-fields at Hokang, Titao, Hsian, Fuhsin, Peipiao, Pataohao, Chihfeng and Chalainor mostly produce either bituminous coals or lignites. In the districts right along the demarcation line rocks which belong to the tertiary period of the Neozoic Age make their appearance in places, consequently the Fushun and Chientao coal-fields are full of bituminous or lignite coal-seams. In conclusion, it may be said that the coal-seams in Manchoukuo are mostly of bituminous coal created in the Palaeozoic and Mesozoic Ages of geological history, lignite seams coming next in quantity, while deposits of anthracites are found in comparatively few places.

The Manchuria Coal Mining Company.

The Manchuria Coal Mining Company was established with the object of exploiting the rich coal-fields in the wide area of Manchoukuo and controlling, at the same time, the relations of supply and demand, thereby protecting the speculators eager to gain profits, and placing the coal mining industry in the country on such a footing that it may cooperate to the industrial development of the State and the consolidation of the Japan-Manchoukuo economic relations. The company came into being as a semi-governmental juridical body on May 7, 1934, in accordance with the provisions of Ordinance XII (The Manchuria Coal Mining Company Administration Act). On the organization of the Manchuria Industrial Development Corporation, it was put under the control of that Corporation in March, 1938. From the time of its establishment in 1934, it has been conducting extensive geological surveys in the new regions in search of coal-seams and increasing the production of coals. It has effected an expansion of its equipment and widened the realm of its activities, so that its present annual productive capacity reaches 5,500,000 metric tons, an output which is to be still further increased in the near future.

The coal-mining industry of the country had thus been developed in accordance with the Five-Year Industrial Plan, but before the first year of the execution of the plan had hardly been completed the China Incident broke out in 1937. This caused an immense strain on the national resources of the country and the demand for coals was suddenly increased. In consequence, the programme for the expansion of the productive power of the Manchuria Coal Mining Company was accordingly revised, and the goal was placed at 18 million metric tons per annum by the end of 1941. The company is endeavouring to attain this goal by the fixed date by enlarging its production facilities, increasing annual output in the interim according to a proposed schedule.

In the first year of its establishment, the company recorded an annual production of only 1,500,000 metric tons, by operating the Fuchou, Pataohao, Sunkiawan, Hokang, Peipiao and Hsian coal-mines. But after its successful efforts in discovering new coal areas, the company began operations in the districts of Mishan and Titao and undertook the further responsibility of working the Chalainor coal mine in 1935. During the following year, it opened up the coal-fields at Fuhsin and began exploitations in the regions of Holung and Tienshihfu. In 1938 it established plants at Sunkiawan, Pataohao and Hsinchiu, and began operation of the coal-fields at Shulan, Tungning and Sanhsing, and in the Chengtzuho and Pingyang area, effecting, at the same time, a radical reorganization of its own management in order better to fulfil its mission of supplying this important commodity in abundance to the ever-expanding industrial establishments in the country.

In its efforts to increase output by the fuller use of existing mines and the increased exploitation of new coalfields, the company was handicapped by a shortage in the supply of machinery and labour, to overcome which it had to increase its capital, in April, 1939, from 80 million yen to 200 million yen, all the debentures for the increased amount being taken up by the Manchuria Industrial Development Corporation.

Brief descriptions of the coal mines and fields operated by the Manchuria Coal Mining Company are given below.

Coal Mines Operated by the Manchuria Coal Mining Company

The Fuhsin Mining Plants. The coal-field operated by the Fuhsin Mining Plants is located in the district extending from Fuhsin-hsien to I-hsien in Chinchou Province. It covers a vast area of 70 kilometres from east to west and from eight to 20 kilometres from north to south lying between Hsinchiu and Chinghomen, the estimated amount of coal deposits in the field being over 4,000 million metric tons. Of the total amount of coals to be produced by the Manchuria Coal Mining Company under the revised Five-Year Industrial Plan one-fourth is to come from this coal-field. The coals produced are mostly jet-black bituminous coals with a greasy lustre. Their nature are very similar to Fushun coals. Containing but a small amount of ash and sulphur, they are a good fuel for locomotives, ships and factory furnaces. The headquarters of the Fuhsin Mining Plants are located at Haichou in the centre of the coal-field, with subordinate plants at Hsinchiu, Sunkiawan, Wulung and Taiping, and branch offices at Kaote and Pingan. The Pataohao coal-mining plant is also under its control.

Hsian Coal Mine. The Hsian coal mine is situated at a point seven kilometres from Hsian station on the Ping-Mei railway line in Fengtien Province and four kilometres north of Hsian-hsien. Coal deposits in the mine are estimated at 270 million metric tons. It is one of the earliest mines operated by the Manchuria Coal Mining Company and is the next in importance to the Fuhsin coal-field in the production of coals required by the Five-Year Industrial Plan.

Peipiao Coal Mine. The Peipiao coal mine is situated at the terminus of the Peipiao branch line from the junction of Chinlingszu on the Chin-Ku railway line in Chinchou Province. The distance from Chin-hsien to the mine is 113 kilometres, from Mukden 349 kilometres, from Hulutao 178 kilometres, and from Hopei Province in China 268 kilometres to the east. The amount of coal deposits is estimated at 200 million metric tons of good bituminous or soft coals. Coals suitable for caking are found in some parts of the seams.

Hokang Coal Mine. The Hokang coal mine is at Tang-yuan-hsien in Sankiang Province. In July, 1937, the shares held by the Manchoukuo Government were transferred to the Manchuria Coal Mining Company and the right of coal mining there was accordingly ceded to the company. The estimated deposits reach over 5,000 million metric tons of excellent bituminous coals, jet-black and caking well. The annual output is next in importance to Fuhsin and Hsian, and its future increased output would seem to be assured.

Mishan Coal-field. The Titao coal mine is situated at a point five kilometres to the south-west of Titao station on the Hulin railway line, at Mishan-hsien in Tungan Province. The coals produced there are good bituminous caking-coals, well fitted for the manufacture of iron. The large coal-field including the Chengtzuho and Hsingshan coal mines, which are situated in the neighbourhood of the Titao coal mine, is commonly called the Mishan coal-field. The total amount of deposits of these mines is estimated at approximately 1,400 million metric tons.

The Fuchou coal-field at Wuhutsui of Fuh-hsien near Kwantung Province produces good anthracites. The Chalainor coal-field, situated at a point three kilometres to the west of the Chalainor station on the Harbin-Manchuli railway line in North Manchoukuo, has an estimated deposit of coals of nearly 4,000 million metric tons. These coal-fields were long known, though it was only after their coming into the hands of the Manchuria Coal Mining Company that any extensive mining was commenced.

In addition to the coal-fields mentioned in the foregoing paragraphs, there are still others at Holung in Chientao Province, at Tienshihfu in Fengtien Province and at Tungning in Mutankiang Province, all managed by the Manchuria Coal Mining Company. The coal-fields at Sanhsing in Sankiang Province are still under survey, together with the coal-fields at Chengtzuho and Hsingshan, but preliminary reports are very promising.

The Shulan coal-field in Kirin Province, which has some 500 million ton deposits, was first exploited by the Manchuria Coal Mining Company. But it was later so arranged as to supply the output of this field to the artificial petroleum manufacturing industry in Kirin, and on July 26, 1939, the Shulan Coal Mining Company was established with a capital of ¥10,000,000, jointly raised by the Manchuria Coal Mining Company, the Noguchi concern and the Manchoukuo Government. The mines in this field are at present the source of supply of material for the manufacture of substitute liquid fuel.

Besides, as subsidiaries under the Manchuria Coal Mining Company there are various enterprises such as the Yingchengtzu Coal Mining Company in Kirin Province, the Hunchun Coal Mining Company in Chientao Province and the Shansungkang Coal Mining Company in Tunghua Province. Mention must also be made of the Manchuria Coal Mining Stakes Company at Hsinking which carries on the business of the manufacture and sale of stakes, telegraph poles and lumbers.

The Tungpientao Development Company

There lies, in the south-eastern section of Manchoukuo, in the wide area of Tunghua Province commonly called "Tungpientao," a rich store of minerals, the responsibility for exploiting which has been placed in the hands of the Tungpientao Development Company.

The company was established on September 14, 1938, with a capital of ¥30,000,000, as a subsidiary company of the Manchuria Industrial Development Corporation, and was granted special privileges by the Manchoukuo Government. The company plays an important role in the heavy industrial activities of the mother Corporation, having been established with the purposes of mining and supplying a large volume of iron ores, coals and other materials for the manufacture of iron, from the deposits in Tunghua Province, in compliance with the unlimited demand by Manchoukuo and Japan, and, at the same time, to give employment to and better the conditions of the poverty-ridden inhabitants in the province. The work of the company will, with the advance in its exploitation activities, soon be extended to the manufacture and sale of pig-iron and iron ingots.

The existence of the Tungpientao region was almost forgotten during the time of the old régimes, secluded as it was in the remote south-eastern corner of Manchuria, and cut off from the light of civilization, allowing no entrance to surveyors on account of its meagre traffic facilities and unsettled social conditions. Things, however, have been much improved since the establishment of the new State, Manchoukuo, in 1932, and an extensive survey has been conducted by various scientific groups. The result of these surveys within but the one year of 1937-38 was astonishing. Iron ore deposits were discovered in the districts of Talitzukou, Chitaokou and Laoling, coal deposits at such places as Tiehchangtzu, Wutaokiang Pataokiang, Yentungkou, deposits of materials for the manufactture of iron such as limestone and fire-proof clay at Talitzukou, deposits of manganese iron ores at Chitaokou, and highly caking coal deposits at Yentungkou and Tiehchangtzu. All of these minerals are of good quality and are found in great quantities.

The amount of coal deposits in Tungpientao is estimated at 200 million metric tons, considering only those which have been discovered up to the present at Tiehchangtzu, Wutaokiang, Pataokiang and Yentungkou.

Coal Deposits in Tungpientao

Tiehchangtzu Coal Mine. The Tiehchangtzu coal mine is located at a point 25 kilometres to the south-east of Tunghua-hsien and in the third section of the Hsien. The coal-seams spread over a vast area of 450 square kilometres with a length of approximately 55 kilometres and a width of about eight kilometres. The coal is a good coking material for factory purposes. The estimated amount of deposits is about 40 million metric tons, but the survey is yet unfinished and more seams will in all probability be found later. This estimate will then, of course, have to be increased.

Wutaokiang Coal Mine. The Wutaokiang coal mine situated a little north-east of the Tiehchangtzu mine is also under investigation and the present estimate of more than 100 million metric tons is expected to be increased as the survey progresses.

Yentungkou Coal Mine. This mine has about 30 million metric tons of a highly caking coal which may be used for making coke to feed iron furnaces. The estimated amount of deposits is also expected to increase on the completion of the survey.

Some millions more tons are expected to be discovered at Tatungkou, Tsiaotungkou and Chatzuyao. A complete investigation of these mines is being made by the branch survey office of the company at Fusung in the northern district of the province. Rich coal-fields have been also found at Wankou, Sungshuchen and Shuitungkou, which are in the region to the north of Linkiang, their aggregate deposits of coal reaching 30 million metric tons, according to present estimates. The survey here is also not yet completed.

The Tungpientao Development Company, which acquired the rights of management of the coal plants at Tiehchangtzu and Wutaokiang transferred from the Manchuria Coal Mining Company on its establishment in 1938, is making great endeavours for the expansion of business and the construction of plants in new mines; and, in April, 1939, it commenced working the plants at Yentungkou and Pataokiang. With the completion of the construction of the Tunghua Office for the systematic management of these coal mines and the two iron plants at Talitzukou and Chitaokou, the company is taking on a large number of workers, cutting galleries and adits in new mines, carrying out extensive surveys for the discovery of new seams or veins, and employing new methods of mining. Provided it can be completely supplied in the near future with the necessary machinery and materials for mining, the entire plant of this company will soon be working at high pressure. According to the expansion programme of the company, the mining and sale of iron ores and coals deposited in Tunghua Province and the manufacture and sale of iron are to be commenced in the first period, and an iron foundry with an annual productive capacity of 500,000 metric tons is to be constructed for the manufacture of pig-iron, with all necessary equipment installed by the end of the second period. The part of the programme to be completed in the 1939 fiscal year includes the mining of coals to the amount of 150,000 metric tons in the Tiehchangtzu coal-field, 150,000 metric tons at Wutaokiang, 50,000 metric tons at Pataokiang and 50,000 metric tons at Yentungkou, making a total of 400,000 metric tons; the mining of iron ores to the total of 200,000 metric tons at Talitzukou and 150,000 metric tons at Chitaokou, making a total of 350,000 metric tons; and a gigantic construction plan in which transformer stations, machine-manufacturing factories and other facilities are to be erected with various mining plants, while foundations for the establishment of iron mills, coke manufacturing and coal cleaning plants, the central electric station and the central machine-manufacturing factory will be laid at Erhtaokiang. Besides, preparations for the establishment of a general laboratory for scientific research on subjects related to the mining and manufacturing industries are to be completed within the fiscal year under review.

The coal-field, which extends from east to west over the region near Penhsihu station on the Antung-Mukden railway line, covers a large area of some 1,100 acres, and seems to have been opened originally about the same time as Fushun and Yentai. Of this

coal-field, the Tienshihfu mine and the Niuhsintai mine are at present managed by the Penhsihu Coal and Iron Company, Ltd.

The Penhsihu Coal-field

According to the report of the Geological Research Institute of the South Manchuria Railway Company in 1938, the total deposits of coals in the Penhsihu coal-field were estimated at about 107 million metric tons. But this figure has recently been revised to 380 million metric tons of semi-anthracite which burns with a small flame. It is an excellent coke-making material.

The Penhsihu Coal and Iron Company is manufacturing iron, using the coals produced here with iron ores dug in the iron mines at Miaoerhkou and Waitoushin.

The coal-fields under the management of the South Manchuria Railway Company are the Yentai, Wafangtien, Laotoukou, Chiaoho and Fushun, the last named being the most important, though all were operated for many years side by side with its land transportation business.

The Fushun coal-field has the longest history and became world famous because of the volume of its annual output and on account of its well known open cut mine, so that little mention of it is needed here. The amount of coal deposits is estimated at 950 million metric tons, the output in 1938 reaching approximately nine million metric tons. It holds first place among all the old coal mines in the Five-Year Industrial Plan of Manchoukuo.

Table 5. OUTPUT OF COAL

(Unit: 1,000 metric tons)

(A) Manchuria Colliery Management

Mine:	1934	1935	1936	1937
Fuhsin	39	34	73	176
Pataokou .	65	78	94	84
Hsian	414	590	822	874
Peipiao ...	300	288	287	340
Hekang ...	320	333	304	411
Titao	—	9	41	96
Chalainor	—	21	110	139
Fuchow ...	168	147	163	130
Huolung ..	—	—	—	2
Tienshihfu .	—	—	—	6
Total incl. others .	1,306	1,500	1,894	2,272

(Continued)

(B) By S.M.R. Co.

	Fushun	Yentai	Naitzu-shan	Laotou-kou	Huo-shih-ling	Pen-hsihu	Niusin-tai	Total incl. Others
1930	7,173	178	13	20	91	582	41	8,098
1931	7,355	177	100	10	90	468	36	7,236
1932	5,627	148	19	22	70	502	45	6,433
1933	6,945	161	1	36	84	612	62	7,901
1934	7,520	222	56	55	126	676	75	8,734
1935	8,733	275	146	75	148	744	82	10,214
1936	9,538	310	228	90	151	739	106	10,252

Table 6. COAL CONSUMPTION CLASSIFIED

(Unit: 1,000 M. tons)

		Domestic use					Export	
	Output	Rail-ways	Iron works	Others	Total	Bun-ker	to Japan	Others
1926	7,681	1,121	458	2,334	3,912	635	1,445	1,846
1927	9,552	1,284	473	3,664	5,385	718	1,743	1,891
1928	9,260	1,347	516	3,131	4,994	340	1,759	1,994
1929	9,859	1,396	610	3,191	5,197	722	2,016	2,081
1930	9,693	1,596	768	3,318	5,682	565	1,750	2,106
1931	8,954	801	648	2,879	4,328	672	1,916	2,256
1932	7,132	981	794	1,249	3,024	800	1,905	1,437
1933	9,069	1,289	885	2,272	4,446	877	2,530	1,228
1934	10,338	1,660	1,174	3,632	6,466	864	2,751	1,032
1935	12,166	1,800	1,563	4,606	7,969	78	2,693	828
1936	13,874	2,044	1,631	5,902	9,578	851	2,241	753
1937	14,416	2,043	1,843	7,154	11,040	798	1,950	672

(B) Estimated Coal Demand Classified According to the 5-Year Plan

(In 1,000 Metric Tons)

	Heavy Industry	Railway	Others	Export	Bunker	Total
1937	2,067	2,200	6,622	3,900	900	15,686
1938	2,886	2,400	6,320	4,470	970	18,046
1939	3,236	2,600	7,840	6,090	1,070	20,836
1940	6,003	2,800	8,320	5,150	1,100	23,373
1941	8,335	3,000	8,810	5,650	1,150	26,945

IRON AND STEEL MANUFACTURING INDUSTRY

Introductory

The production of iron, equally important with that of coals, forms the other factor in the policy for the industrial development of Manchoukuo. The iron ore deposits are widely distributed all over South Manchuria, and contain, among many others, the Anshan iron mine, which lies along the Antung-Mukden railway line, and that in Tungpientao.

The immense haematite deposits discovered in the vicinity of Talitzukou in Tungpientao are said to be among the best in the world both in quality and quantity.

In North Manchuria only small iron mines have been discovered, but they are so far all unoperated.

Generally speaking, the iron ores produced in Manchoukuo are haematite or magnetite. Formerly, judging from the poor mines in existence prior to the birth of the new State, it was thought that deposits of rich iron ores were scarce, but the discovery of the excellent mines in Tungpientao has proved the falsity of this. The figures already given by the surveyors aggregate 130 million metric tons of rich iron deposits, with 1,660 million metric tons of poorer quality, most of the best material for iron manufacture being in Tungpientao. The immensity of the possible output of iron in this region has proved very encouraging to all those who are sparing no efforts to strengthen national defence and the manufacturing industries in Manchoukuo. The earliest operated among the iron mines in the country were the Anshan and Miaoerhkou of Penhsihu.

Table 7. PRINCIPAL IRON DEPOSITS BY REGIONS

Region	Species		Deposits (1,000 m. tons)	Iron contents
Anshan	Hemaetite	Rich	1,300	50–60%
	Magnetite	Rich	3,000	60–68%
Kungchuling	Hemaetite	Lean	377,000	40%
	Magnetite	Lean	456,400	35%
Penhsihu	Magnetite	Rich	3,000	60–68%
		Lean	227,000	33%
Waitoushan	Magnetite	....	150,000	above 30%

Table 8. CHEMICAL ANALYSIS OF MANCHURIAN IRON ORE

Mine		Iron	Alumina	Lime	Magnesite	Manganese	Sulphur	Phosphorite	Silicic acid
Miaoerhkow of Penhsihu	Rich ..	64.01	1.28	0.45	0.027	0.37	0.116	0.017	6.17
	Lean ..	33.63	0.37	0.38	0.08	—	0.030	0.059	50.93
Talitzukou	Lean ..	33.08	—	1.12	—	5.40	0.244	—	13.72
Yingta'oyuan	Rich ..	54.40	0.32	0.63	0.65	0.86	0.31	0.04	19.74

Table 9. IRON ORE PRODUCTION IN MANCHOUKUO

(In Metric Tons)

	Lean Ore	Rich Ore	Total
1917 ..	3,585	99,561	103,146
1922 ..	600	139,528	140,128
1927 ..	457,300	173,304	630,604
1928 ..	488,000	185,624	673,624
1929 ..	529,490	251,768	781,258
1930 ..	523,894	359,603	883,497
1931 ..	673,380	250,879	924,259
1932 ..	742,810	237,068	979,878
1933 ..	770,381	328,032	1,098,413
1934 ..	739,623	393,748	1,133,371
1935 ..	985,480	492,460	1,477,940
1936 ..	1,325,219	579,374	1,904,593
1937 (1st half)	—	—	1,029,065

Table 10. PRODUCTION OF STEEL MATERIALS BY KINDS

(In Metric Tons)

	1935	1936
Steel Rods	12,346	67,287
Rails	8,397	38,228
Thin Steel Plates	4,704	29,141
Thick Steel Plates	—	498
Cast Steel	—	152
Total	25,447	135,306

Table 11. PIG IRON PRODUCTION

(In Metric Tons)

	Pig iron	Steel	Steel materials
1933 ...	433,523	—	—
1934 ...	475,826	—	—
1935 ...	607,948	136,817	25,447
1936 ...	633,393	344,424	135,306
1937:			
Jan. ..	55,863	33,970	36,409
Feb. ..	49,635	27,432	36,449
Mar. ..	52,383	33,610	41,479
Apr. ..	51,548	29,851	28,115
May ..	60,987	30,880	26,323
June ..	64,915	30,756	25,577
July ..	65,273	35,642	26,390
Aug. ..	69,089	36,886	27,065
Sept. ..	67,107	39,984	26,866
Oct. ..	74,374	49,684	35,516
Nov. ..	75,234	52,359	44,038
Dec. ..	75,730	25,490	15,439
Total .	762,138	426,544	369,666

Note: * Represents production by Showa Steel Works and Penhsihu Iron & Colliery Co.

Table 12. PIG IRON PRODUCTION CLASSIFIED BY COMPANIES

(In Metric Tons)

	Showa Steel Works (Former Anshan Iron Works)	Penhsihu Iron & Colliery Company	Total
1925 ...	85,886	50,799	136,685
1926 ...	146,327	51,810	198,143
1927 ...	192,895	51,308	244,203
1928 ...	220,637	64,038	284,675
1929 ...	217,859	77,521	295,380
1930 ..	262,994	86,241	349,235
1931 ...	276,650	65,620	342,270
1932 ...	287,124	81,057	368,181
1933 ...	317,573	115,950	433,523
1934 ...	322,376	153,450	475,826
1935 ...	456,848	151,100	607,948
1936 ...	472,993	160,400	633,393
1937 ...	762,138		762,138

Table 13. PIG IRON PRODUCTION CAPACITY

(In Metric Tons)

	Production Capacity in 1937	Expansion of Capacity	Estimated Capacity in 1941
Showa Steel Works	700,000	2,300,000	2,800,000
Penhsihu Iron and Colliery Co.	150,000	1,850,000	2,000,000
Total	850,000	4,150,000	4,800,000

Table 14. PRINCIPAL BY-PRODUCTS IN PIG IRON MANUFACTURING

(Metric Tons)

	Coke	Coke Powder	Sulphate of Ammonia	Tar	Benzol	Naphthaline	Creosote	Pitch	Ore Dregs Brick
1927	310,290	18,595	4,406	11,457	1,681	148	2,063	5,847	6,466
1932	408,057	48,682	6,724	18,050	2,962	642	2,792	7,869	5,942
1933	458,664	54,588	6,362	22,346	2,831	557	3,000	8,377	24,747
1934	577,979	43,331	7,525	22,826	4,879	686	3,526	9,156	39,650
1935	654,038	78,433	9,791	30,039	4,405	835	6,667	15,238	47,571
1936	735,787	117,447	11,779	39,919	6,550	1,420	7,827	18,119	50,433

Anshan Iron Mine

The Anshan iron mine was rediscovered in August, 1909, by Japanese geological surveyors who had obtained a hint from the name of a small hill called Tiehshihshan, or Iron Mountain, which stands to the west of Tangkangtzu station on the South Manchuria Railway. The iron mines in this district were probably operated by the aborigines centuries ago. The primitive iron-work made by natives is from time to time still found in the neighbourhood.

In accordance with the provisions appended to the Sino-Japanese Treaty of 1915, the Japanese obtained the mining rights of Anshan in December, 1916, by establishing the Anshan Iron Mining Corporation under the joint investment of Japan and China. In April, 1916, the South Manchuria Railway Company obtained the permission of the Chinese Government to carry on the iron manufacturing industry in Manchuria, and the construction of the Anshan iron foundry was commenced in March, 1917. The work was completed in May of the following year, operations beginning in 1919, with the firing of the first smelting furnace on April 29th. In view of the poor quality of the ore produced in the mine, the South Manchuria Railway Company conducted a thorough research into the process of concentration, commencing in January, 1920, and by June, 1922, their efforts proved successful with the invention and patenting of the Anshan type lean-ore-disposition method, employing the reduction-roasting furnace. The construction of a concentration factory with the Anshan type reduction-roasting furnaces installed was begun in October, 1923, and completed in July, 1926, the work of concentrating the lean ore being immediately commenced.

To solve the long pending problem of manufacturing steel in Manchoukuo, it was finally decided to commence the industry at Anshan in April, 1933, and all the rights in the Anshan Iron Foundry were assigned by the South Manchuria Railway Company to the Showa Steel Works, which is to carry on mining and the manufacture of pig-iron and steel. The Anshan iron mine lies within a semi-circle with a radius of 16 kilometres around the iron foundry of the Showa Steel Works, divided into the following 11 mine-lots: East Anshan, West Anshan, Takushan, Yingtaoyuan, Wangkiaputzu, Paikiaputzu, Kuanmenshan, Hsinkuanmenshan, Itanshan, Tiehshihshan and Hsiaolingtzu. The product of these mines is mostly lean ore, but it is their characteristic that their iron deposits are very rich.

At a point 48 kilometres to the south-east of Liaoyang and 56 kilometres from Anshan, there is the Kungchangling iron mine, which has the three lots of Huangninankung, Shihling and Sukiaputzu, extending to the north-west from the eastern part of Huangninankung. Investigations are yet unfinished, but, in addition to a rich iron ore, there are abundant deposits of lean ore, containing from 30 to 40 per cent of iron.

This iron mine was first discovered in 1915 by the geological surveyors of the South Manchuria Railway Company, but it was not operated for many years on account of disputes and obstacles concerning the mining rights, which were finally obtained by the Kungchangling Iron Mining Corporation established by joint Japanese and Chinese investment. But actual operations were still unrealized until 1931, when it was put under the management of the Showa Steel Works.

As explained above, the bulk of iron ores operated by the Showa Steel Works are dependent upon lean ores, but their deposits are so enormous that they are estimated at about 2,000 million tons.

Showa Steel Works

The Showa Steel Works was made a juridical body under the law of Manchoukuo instead of Japan, when, in December, 1937, the latter country formally relinquished her extraterritorial rights in Manchoukuo and transferred her administrative rights over the South Manchuria Railway Zone to Manchoukuo. In March, 1938, it then became a subsidiary company of the Manchuria Industrial Development Corporation, and was finally made a special semi-governmental juridical body by the enactment of Imperial Ordinance No. 121, the Showa Steel Works Administration Act, on May 27, 1939, when special privileges for the expansion of business were conferred upon it.

With the two great iron mines at Anshan and Kungchangling as its main property, the Showa Steel Works has many other mines of minerals indispensable for the manufacture of iron and steel. For instance, limestone is obtained at the mines of Kanchingtzu and Huolienchai, fire-proof materials such as magnesite and dolomite are obtained from the mine of Niuhsinshan, but fire-proof clay has to be purchased from Yentai and other mines. Fuel coals are obtained from the Fushun, Penhsihu and Yentai mines, with Peipiao as a further source of supply to meet the demand of the ever expanding iron and steel manufacturing work.

Favoured by such abundant supply of materials either from its own or other mines in the country, the Showa Steel Works is doing its utmost towards the realization of the expansion plan in order to stabilize the fundamental industries necessary for the progress of Manchoukuo and also to supply iron and steel to Japan.

In conformity with the Five-Year Industrial Plan of Manchoukuo, and according to the third and fourth periods of the expansion programme for the increase of pig-iron production, the fifth furnace was installed on September 18, 1938, the sixth furnace on December 31, 1938, the eighth on February 14, 1939, and the seventh on March 7, 1939, all of which are now fired. The work of construction and installation of the furnaces for manufacturing coke, the factories for by-products and a power plant, is well under way, while schemes for the fifth and sixth periods of the expansion programme are already being contemplated.

Having a history of 20 years beginning with 1918, the year of the establishment of the Anshan iron foundry, the mining industry of the Showa Steel Works now stands on a firm basis, and the day when the company may claim to be one of the most powerful iron and steel makers in East Asia is fast approaching. Its rich resources both in materials and man power and its most favoured geographical position justify this expectation. When the present productive capacity is trebled, on the completion of the projected expansion programme, in the near future, the Works will play an important role in the iron and steel industry of Manchoukuo and Japan.

Other Iron Mines

One of the three great iron mines in Manchoukuo is located a little to the north-east of Nanfen station on the Antung-Mukden railway line. It is known as the Miaoerhkou iron mine, and covers an area of 1,500 acres. Most of the iron ore deposited here is of poor quality, containing only some 40 per cent. of iron, but the amount of deposits is estimated at more than 400 million metric tons. There are also found scattered veins of haematite, containing from 60 to 65 per cent of iron, the deposits of which are fairly great.

The Waitoushan iron mine located to the north-west of Miaoerhkou has rich deposits though of lean ore.

The Penhsihu Colliery & Iron Works is relying on materials from the iron mines of Miaoerhkou, Waitoushan and Tahoyen, the aggregate deposits of which are estimated to be about 500 million tons.

The iron mine district of Penhsihu occupies the most convenient position for the gathering of materials for the manufacture of iron, with these mines and others of semi-anthracite, limestone and fire-proof minerals in the neighbourhood, and with a good supply of water from nearby streams.

The Penhsihu Colliery and Iron Works

It was in January, 1905, that the Okura Kumi Company first opened up the Penhsihu coal mine. In May, 1910, the Penhsihu Coal Mining Corporation was organized with the joint capital of Japanese and Chinese businessmen. In October of the following year it developed into the Penhsihu Colliery and Iron Works, capitalized at four million Chinese silver yuan, enlarging its business to include iron manufacturing. The capital was increased to seven million yuan in 1914. In September, 1935, the Works made another advance with its reorganization into a semi-governmental company with an increase of capital to 10 million yen borne jointly by the Manchoukuo Government and the Okura Kumi. Finally in May, 1939, it made a new start as the Penhsihu Colliery and Iron Works, one of the subsidiary companies of the Manchuria Industrial Development Corporation, increasing its capital to 100 million yen, 20 millions of which were invested by the Manchoukuo Government, 40 millions by the Okura Kumi and the remaining 40 millions by the Manchuria Industrial Development Corporation.

Situated at Penhsihu, most suited to the operation of the heavy industry, with mines of coal, iron ore, limestone, silica and manganic ore at hand, the Penhsihu Colliery and Iron Works is striving to attain its object of manufacturing pig-iron and steel, by increasing the output of coals and pig-iron, and by the establishment of a large plant for the manufacture of steel from pig-iron of its own manufacture. Construction of the steel manufacturing plant is being hurried on at Miyano-hara, near the site of the existing mills.

For the production of caking coals fit for making coke the Penhsihu coal-field is one of the best in the Orient, and in a part of the seams coals containing a small amount of phosphor are found. The iron ore mined at Penhsihu is also low-phosphorous. The low-phosphorous pig-iron produced here from these materials is an indispensable material for the manufacture of munitions, which previously, together with high quality steel, Japan used to manufacture from supplies of pig-iron obtained from such far away countries as Sweden and England. But as a result of intensive research and study of advanced methods of production, the Penhsihu Colliery and Iron Works has at last succeeded in producing a low-phosphorous pig-iron better than the foreign, and is supplying large quantities to Japan to take the place of the previous imports from Europe.

Iron Mines in the Tungpientao Region

It is a little too early to give any conclusive statement concerning the rich iron deposits in the Tungpientao region, because the survey is not yet completed. But the existence of a vast iron zone, which extends over 50 kilometres from west to east and 15 kilometres from north to south in the district to the east of Chitaokou and Santaokou and to the west of Talitzukou in Tunghua Province, has already been ascertained, while the existence of iron deposits in the north-eastern section of Tungpientao is suspected, in view of the geological formation of the area.

The Talitzukou iron mine is said to have the deposits of 78 million metric tons of rich quality haematite, containing 63 per cent of iron on the average.

The ore obtained at Chitaokou contains 52 per cent of iron, which also is above the quality of ores produced elsewhere. It also contains about five per cent of manganese and is an important material supplementary to manganese ore, the deposits of which are scarce in Manchoukuo. The amount of iron ore deposits here is estimated at 10 million metric tons, a figure which it is presumed will increase with the advance of boring and pitting.

The iron mines operated by the Tungpientao Development Company up to the present are restricted to the two mines of Talitzukou and Chitaokou, but a geological survey is now being carried on at Laoling where a rich iron mine seems to exist.

The Kyowa Iron Mining Company

The iron mines at Kaiyuan, Hsifeng, Hsukiatun, and also those of Chiaotou and Wutaokou, which formerly belonged to the Kangte Iron Mine, are now under the management of the Kyowa Iron Mining Company.

The company was established on August 2, 1939, with a capital of 10 million yen, two millions of which were invested by the Manchoukuo Government, four millions by Mr. Kamishima and the remaining four millions by the Manchuria Industrial Development Corporation.

The work of this company is still in its infancy, but the geological surveys recently made indicate that there are extensive iron fields in the districts mentioned above, while the existence of rich deposits at Hsukiatun mine has already been ascertained. The future contribution of this mine towards the completion of the iron policy of Manchoukuo is eagerly awaited, as its immense volume of rich iron deposits, located at a point most conveniently situated for transportation, places it in a very favourable position.

The iron ore from the Kaiyuan mine is of fairly good quality, containing nearly 60 per cent of iron, and that from the Hsifeng mine is of not less excellent quality than the above, for it contains generally 50 to 65 per cent of iron. These mines are expected therefore to produce more and more with the progress of survey and research.

MINING OF NON-FERROUS METALS

Gold Mining

Manchuria was early known throughout the world as a placer gold producing country, the districts being spread over a wide area along the valleys of the large rivers of North Manchuria. Recently gold mines have been opened up in the mountains, mostly in South Manchuria in the provinces of Jehol, Chientao and Kirin, where deposits of gold ore richer than those of the gold mines in Chosen are found. In the period when Manchuria was under the old régimes of China, placer gold mining flourished in Kirin and Heilungkiang provinces, which came to the new State of Manchoukuo as an important legacy.

Table 15. GOLD OUTPUT

	Production (in Gram)	Value (¥)
1931	111,493	312,180
1932	240,017	672,047
1933	66,437	186,014
1934	463,639	1,308,189
1935	1,886,895	5,283,306
1936	3,570,884	10,024,136
1937	—	14,805,000

of which: (value)	Production (in Gram)	Value (¥)
Heiho districts	—	6,646,000
Chiamussu district	—	6,841,000
Hunchun district	—	1,500,000
Chientao Prov.	—	—
Total	—	14,805,000

It is difficult to ascertain the total amount of gold deposits in the country, but according to the reports of the South Manchuria Railway Company and other data, the most promising parts of the country are the placer gold districts of Heilunkiang and the middle and upper streams of the Sungari River, and the placer gold district and gold mine district in Chientao Province on the border between Manchoukuo and Chosen. In 1929 Dr. Edward von Ahnert, well known as a geologist and Manchurian explorer, calculated the total amount of placer gold deposits in Manchuria to be 3,525 metric tons, distributed in 650 places in Heilungkiang Province and North Kirin Province.

Immediately after the foundation of the new State, the Manchoukuo Government made haste to put national economy and finance on a sound basis by effecting a radical reformation in the currency system, which had been rendered utterly chaotic under the former rule of local warlords. And in view of the acute necessity of holding sufficient gold reserves in accordance with the general trend of international political economy, and for the stabilization of national economic life, the Manchoukuo Government entrusted the Kwantung Army with the formation of a gold mining policy, a new sectional office being opened with the injunction to carry out a thorough investigation of the gold mining industry throughout Manchoukuo. Spot surveys were commenced in January, 1933, by six survey corps despatched to the old Heilungkiang and Kirin provinces and the most promising reports were handed in, in October of the same year. Encouraged by these reports, the Manchoukuo Government established the semi-governmental Manchuria Gold Mining Company on May 16, 1934, for the purpose of carrying on the gold-mining industry under State control.

The Manchuria Gold Mining Company

As many as 99 administrative districts, including 88 hsien and 11 chi, in the nine provinces comprising almost the entire area of North Manchuria, are designated as the area for operations of the Manchuria Gold Mining Company, and the company not only has the rights of mining and refining placer gold and gold ore deposited in the streams and mountains in these districts, but also finances other private gold miners in the area, as either consigner or consignee of gold, as a trader in gold ore, placer gold or refined gold, and in leasing gold mining districts to those who wish to take part in the important task of getting the desired output of gold as speedily as possible.

At present, the mining plants of the company are established at Talahan, Hsinglung and Sanfenchu in Heiho Province, Kuantu, Wutungho and Taoling in Sankiang Province and Matita in Chientao Province, while an experimental mining plant has been established at Shihtsutzu in Kirin Province. Placer gold is mostly gathered by placer boats, but in some districts coolies are employed to collect it by hand. With regard to gold ore deposited in the mountains pits are being dug at Mutankiang and various places in Chientao and Kirin provinces. They will be ready for mining, and refining gold in the near future.

The Manchuria Mining Company

While the Manchuria Gold Mining Company is pushing the gold mining industry in North Manchuria, another mining company has made its appearance for the exploitation of other metals such as silver, copper, lead, zinc, antimony, etc., which are found in various parts of Manchoukuo. The Manchuria Mining Company, capitalized at 50 million yen, was established in February, 1938, as a subsidiary of the Manchuria Industrial Development Corporation to exploit the aforementioned metallic resources. The company is conducting an extensive survey in the provinces and is enlarging its sphere of activities in the country by obtaining licences for operating newly discovered profitable mines, purchasing or leasing the better old mines or entering into a joint management of them. The company also has a placer plant at Hsiaoshihtou in Sankiang Province for collecting gold dust, another one at Tumentzu and further experimental ones at Chuangho and Muleng.

The placer gold district which covers a wide area near Hsiaoshihtou in Sankiang Province contains rich gold dust, the place having been famed since olden times. In April, 1938, the Manchuria Gold Mining Company transferred to the Manchuria Mining Company the rights of mining gold in the above-mentioned district as well as at Tumentzu and Kaishantun placer districts, and the latter began its work in conformity with the gold policy of Manchoukuo by making improvements in the methods of gathering gold dust by hand in open fields or mining in pits, and by constructing four new placer boats to be added to the existing ones.

The Tumentzu mining plant is located at Tumentzu of Hunchun-hsien in Chientao Province, and is managing the business in the placer district, conducting surveys and experiments in the wide region adjacent to the present district and planning for the building of two placer mining boats and the installation of special hydraulic pressure apparatus.

The refining facilities in the Kaishantun mining plant at Kaishantun of Holung-hsien in Chientao Province were completed in 1938 and are sufficient for the present. The management is pushing the mining of gold, surveying and experimental mining.

Another famous old gold mine lies at Chiapikou of Huatien-hsien in Kirin Province. The Chiapikou mining plant has given orders for machines to be installed in the newly projected smelting mill for the machine selection and cyaniding of gold ore, with a monthly capacity of 3,000 metric tons, while the construction of the building itself is speedily going on, and is to be completed by the end of 1939. Upon the completion of the mill, its expansion is contemplated in order to attain its final object of disposing of 10,000 metric tons of gold ore per month.

In addition to the gold mines mentioned above, the company is actively engaged in trial diggings on the prospected mine-lots at Taheishan and Tapingkou in Chinchou Province, Tushan, Chinchangkouliang and Chengpei in Jehol Province, Chuangho in Antung Province, Manpao in Chientao Province, Paomachuan and Huinan in Tunghua Province, and Muleng in Mutankiang Province. Success on these prospected mine-lots would open up a great future for the activities of the company.

The Jehol Mining Company, a subsidiary of the Manchuria Mining Company, has a gold mine-lot at Taoliushui in the fifth section of Hsinglung-hsien in Jehol Province near the Great Wall. The Taoliushui mine is the greatest gold ore mine in Manchoukuo and has large deposits of fine gold ore. The construction of the refinery, with a capacity of disposing of 3,000 metric tons of gold ore per month, will be completed by the end of 1939, when the output of gold in the mine will be still further augmented.

A speedy completion of the construction of all the necessary facilities on the afore-mentioned gold mine-lots, for prospecting and actual mining and refining of the gold ore, is urgently required for the furtherance of the national gold policy of Manchoukuo. With the installation and working of modern mining machinery and apparatus in these plants an epoch will have been created in the history of gold mining in the country, where peace and order are new completely restored and railways and modern roads are under construction, even in the remotest corners of the land.

Silver, Copper, Lead and Zinc

Lead, zinc, silver and copper ores are conjointly deposited in the same mines in Manchoukuo in most cases, and are found mostly in South Manchuria. The mining and smelting of these ores were long carried on by primitive native methods, but such methods have now been superseded by the modern mining methods introduced by the Japanese in recent years. With the restoration of peace and order, geological surveys covering larger and larger areas were carried out, and as a result, metalliferous mines have been opened at Chingchengtzu, Yangchiachangtzu, Tienpaoshan, Kuangtungkou, and at many other places. In spite of the development of coal and iron mining in Manchoukuo on an international scale, the underground wealth of other minerals has been left almost untouched except for a few casual extractions here and there. As was mentioned in an earlier paragraph of this chapter, the Manchuria Mining Company was established by the Manchuria Industrial Development Corporation for the express purpose of excavating minerals other than coal, iron and gold. Since its establishment, the company has surveyed many districts and has begun actual operations in some of the newly discovered mines.

Table 16. LEAD, ZINC AND COPPER RESERVES

Region	Reserves (1,000 metric tons)				
Chingchengtzu	300	Rich ore	70%	Silver	0.2%
		Medium ore	50%	Silver	0.1%
		Lean ore	20%	Silver	0.02%
Yangchiachangtzu	100	Gold	0.1–1.21/100,000		
		Silver	0.74%–2.0%		
		Lead	21.8%–55.9%		
		Zinc	12.0%–45.0%		
Tienpaoshan	500	Silver	450 grams per ton		
		Lead	5.5%		
		Zinc	6.0%		
		Copper	1.7%		
Kuangtungkou	800–900	Lead	4– 8%		
		Zinc	37–50%		
		Silver	0.1%		
Total	1,700				

The mineral mines under the direct control of the Manchuria Mining Company are the prospected mine-lots of Manpao, Kuangtungkou, Fuyung, Huinan and Kuantien, while one other is indirectly controlled by the company, the operated mine-lot at Chingchengtzu, which is managed by its subsidiary the Anfeng Mining Company. Another mine at Yangchiachangtzu is operated by the Manchuria Lead Company.

The Manpao mine located at Tatientzu of Antu-hsien in Chientao Province, is much valued as a source of antimony, a valuable mineral greatly in demand in the Japanese market. Prospecting is now going on.

The Kuangtungkou mine lies at Jente village in the third section of Chuangho-hsien in Antung Province. In ancient times the region.belonged to Korea, under the name of Kaoli, and the relics found show that lead was once mined here by the natives. The lead mine district extends over a wide area and at present deep boring is being tried.

The Fuyung copper mine lies at Fenhuashan village in the fourth section of Chuangho-hsien in Antung Province and is one of the few precious copper mines in a country favoured with but meagre deposits of this mineral. The rights of this copper mine were assigned to the Manchuria Mining Company in July, 1938, and in the course of vigorous prospecting mining a vast field of copper deposits was discovered, so that quantitative production of copper is now anticipated.

The Huinan mine is located at Sungshu village of Huinan-hsien in Tunghua Province and produces gold, silver and copper ores. Work in the mine began in March, 1938, under the management of the Manchuria Mining Company, and the actual exploitation commenced in 1939, with the installation of rockdrills.

The Kuantien mine at Shuangshantzu village in the second section of Kuantien-hsien in Antung Province is widely known as an important lead mine, and an extensive trial digging is being carried on in the district.

The Chingchengtzu mine of the Anfeng Mining Company is located at Fengcheng-hsien in Antung Province, and has combined silver and lead ores deposits in the wide area of the hsien, of which lead ores are estimated at more than two million metric tons. As the first plan, a machine selection plant, with a monthly disposition capacity of 3,000 metric tons of ore, has been built and another one with a similar capacity will be constructed by the end of 1940.

The Yangchiachangtzu mine, which belongs to the Manchuria Lead Company, lies at Chinhsi-hsien in Chinchou Province and produces good ores of lead, zinc, iron sulphide and molybdenum. The aggregate amount of deposits is estimated at 10 million metric tons, and may be safely said to be one of the most important districts of the kind in the world. The results of experimental mining for the past six years are excellent,giving confidence in the possibility of large outputs. To increase the production of these minerals, a concentrating plant with capacity of disposing of 500 metric tons of ores per diem has been built as the initial work of the company, while a second plan is now being formulated. The zinc ore separated through concentration is to be sent to Hulutao, where a refinery is under construction.

There is one more metalliferous mine, equally important, at a point 14 kilometres north-west of Laotokou station on the Hsinking-Tumen railway line in Chientao Province. It is called the Tienpaoshan mine and has an estimated amount of lead, zinc, copper and silver ores deposits of three million metric tons. It is operated by the Tienpaoshan Mining Company. A plant with a capacity of separating 300 metric tons per diem and other facilities for mining are under construction and are expected to be completed shortly.

Limestone. Large deposits of limestone are found in Manchuria. In 1935 production amounted to almost 850,000 tons.

Table 17. LIMESTONE PRODUCTION

(Metric Tons)

	Chushuitzu	Huolienchai	Penhsihu	Total incl. others
1930	292,068	338,293	58,128	668,489
1931	208,040	299,163	34,800	542,003
1932	145,671	165,405	42,000	477,350
1933	113,130	91,931	58,171	601,040
1934	—	—	—	635,760
1935	—	—	—	846,943

Soapstone. The output of soapstone has been steadily rising, amounting to roughly 80,000 tons in 1936.

Table 18. SOAPSTONE PRODUCTION

	Production (Metric tons)	Shipment to Japan Proper	
		From Yingkow	From Dairen
1930	25,726	29,036	7,513
1931	42,890	33,654	7,638
1932	44,316	27,669	6,132
1933	62,430	35,241	12,330
1934	75,410	54,463	
1935	70,572	64,288	
1936	79,250	83,092	
1937	—	111,104	

LIGHT METAL INDUSTRY

The demand for aluminium is rapidly increasing as its use is daily being extended from the manufacture of daily wares and implements to that of one of the chief constituents of such modern machines as aircraft, automobiles, vessels and warships, munitions and innumerable other things, and for the construction of various kinds of buildings. The acquisition of this metal in sufficient quantities, therefore, has now become indispensable for the progress of any industrial country in times of either peace or war.

Aluminium

The aluminium manufacturing industry in Manchoukuo is full of hope, for the country has immense deposits of aluminium shale available in many provinces, Fengtien, Chinchou, and Jehol in South Manchuria and Lungkiang in North Manchuria, and new shale districts are being successively discovered in these provinces. The cost of mining aluminium shale is very low because of the lightness of the work. The material can, therefore, be supplied at low prices to the factories, which are also favoured with an abundant supply of electric power at a comparatively low price. Conditions are extremely favourable for the firm establishment of the industry as the chief supplier of aluminium to the modern machine-manufacturing factories in Manchoukuo and Japan.

The principal aluminium shale districts in Manchoukuo ascertained as rich mines up to date are as follows: Fuchou and Takueichiatun in Kwantung Province, Hsiaoshih, Tienshihfu, Niuhsintai, Penhsihu, Yentai and Hanpoling in Fengtien Province, Sungshutai and Wutaoling in Jehol Province, Hungloyen, Tayaokou, Weitzukou and Hsia-Heiyukou in Chinchou Province, and Shuangshantzu in Antung Province. Of the above named mines, Hsiaoshih, Tienshihfu and Niuhsintai are the best known as having rich deposits. The total amount of aluminium shale deposited in Manchoukuo is estimated at some 25 million metric tons.

Table 19. ALUMINA SHALE RESERVES

	Quantity (M. tons)	Grade (%)		Quantity (M. tons)	Grade (%)
Yentai	1,034,000	45–41.3	Shaoshin	5,930,000	45.3–55
Penhsihu	3,202,000	40–47.3	Others	5,770,900	37.2–55
Niusintai	9,382,000	46.4–52.5	Total	25,318,900	

The Manchuria Light Metals Company

On account of the lack of proper facilities for their exploitation, these rich mines of aluminium shale had been practically left untouched until recently. But the ever increasing demand for aluminium by the factories producing munitions, both in Manchoukuo and Japan, induced the South Manchuria Railway Company, in 1932, to industrialize the resources, whereupon a laboratory for the manufacture of aluminium from shale was established at Fushun. In the following year research was also commenced at the Central Laboratory of the company, and for several years the two laboratories continued intensive researches on alumina and the manufacture of aluminium, until finally they succeeded in finding an excellent process for concentrating the shale into aluminium. As a result, the Manchuria Light Metals Company was incorporated on November 2, 1936, as a semi-governmental juridical body of Manchoukuo. Then, in March, 1938, the company was put under the control of the Manchuria Industrial Development Corporation for the completion of its equipment for the execution of a bigger production programme.

For the manufacture of aluminium, the Manchuria Light Metals Company obtains a sufficient supply of aluminium shale from the mines of Hsiaoshih, Tienshihfu, Niuhsintai, Yentai and Hungloyen, a abundant supply of electric power from the Fushun Colliery Power Plant and that of pure shale coke from the Fushun Oil Plant. It uses electrodes of its own manufacture from the tar supplied by the Penhsihu Coal and Iron Company, and also cryolite obtained from fluorspar produced in the country. The main products of the company are aluminium, bleaching powder, hydrochloric acid and silicic iron.

Aluminium is utilized as a light alloy for the manufacture of automobiles, aircraft and other high speed machines, kitchen utensils, as an oxidising agent for the manufacture of steel, as paint applied on building materials, and in many other ways. Bleaching powder is used as an industrial chemical for the fibre industries as well as a disinfectant, while hydrochloric acid is used in the chemical industry, and silicic iron, an oxidising agent, is supplied to the casting industry.

To meet the ever increasing demand for these products, the company began construction of a smelting plant on June 9, 1937, and completed it, with all the necessary equipment installed for the manufacture of aluminium, in June of the following year. The goal set for an increased production for the first period of the expansion programme was reached at the end of 1938, the second period for a further increase of output was commenced in April, 1939, and, at the same time, preparations were begun for the construction of the Antung factory for the third phase of the expansion programme. Favoured by the best local conditions for industry activities, and a well-developed transportation and traffic system in the district, the aluminium manufacturing industry of the company is expected to become still more prosperous when its expansion programme is completed.

Magnesium

In a belt of land with a surface area of approximately 60 square kilometres between a line drawn north-east from Tashihchiao station on the trunk line of the South Manchuria Railway and another drawn north-east from Niuhsinshan, four kilometres south of Tashihchiao, there lies a vast district of magnesite with estimated deposits of 13,600 million metric tons, perhaps without parallel in the world both in quantity and quality. The history of its discovery goes in this way. In 1913, a Manchurian native handed a piece of rock supposed to be limestone to a Japanese, who had it assayed, as a result of which it was revealed that the rock was magnesite. An extensive survey was accordingly conducted by Japanese geologists, and it became clear that the principal magnesite seams were in this district, which extends, with a width of from two to six kilometres from north to south, from Tashihchiao to the neighbourhood of Lienshankuan station on the Antung-Mukden railway line, a distance of about 100 kilometres, with occasional breaks. The district is composed of a chain of small hills 500 metres or so in height, among which the mineral is deposited in immense quantities, mostly in seams with a thickness of from several to several hundred metres; for instance, the seam at Kuanmashan is over 700 metres thick. The nature of the magnesite found here is excellent, being a pure carbonate magnesite containing but little iron, alumina and lime, and is probably the first in the world in purity.

Table 20. STATISTICS OF PRINCIPAL MAGNESITE REGIONS

Region	Deposit (1,000 m. tons)	Analysis (%)					
		Magnesite	Silicic acid	Oxidized iron	Alumina	Lime	Heat loss
Chingshanpei	40,000	46.78	0.67	1.01	0.11	0.12	51.39
Hsiao Shengshuissu	200,000	46.31	0.83	0.76	0.15	0.25	51.20
Kuanmashan	93,200	46.36	1.23	0.46	0.41	0.42	50.74
Paihushan	24,652	45.64	1.99	1.44	0.60	0.25	50.02
Niusintai	1,590	45.72	1.04	1.34	0.63	0.67	51.20
Shengshuissu	70,000	45.06	2.23	0.78	0.78	0.66	50.71
Pingerhfang	150,000	48.03	3.63	0.60	0.36	0.87	49.20

Table 21. CHEMICAL ANALYSIS OF MANCHURIAN DOLOMITE
(%)

Region	Silicic acid	Oxidized iron	Alumina	Lime	Magnesite	Heat loss
Dairen	1.35	0.49	—	31.01	20.33	46.55
Yingchengtzu .	1.15	0.58	0.94	31.70	17.05	—
Haimaotao ...	0.40	0.48	0.36	30.24	21.23	47.00
Kuanmashan .	0.27	0.65	0.02	30.23	21.26	47.57
Niusintai	0.56	0.72	0.20	30.12	21.85	46.55
Taling	0.88	1.06	0.04	18.20	30.63	49.14

The Manchuria Magnesium Company

In order to exploit the magnesite and to manufacture magnesium therefrom, the Manchuria Magnesium Company was established on July 4, 1938, under the auspices of the Manchuria Light Metals Company and immediately commenced operations by exploiting the magnesite in the neighbourhood of Tashichiao and by inventing a process for manufacturing magnesium by the combination of its own produced materials of magnesite, chlorine and potassium, the latter being by-products of the salt manufacturing industry in Manchoukuo. Thus, the magnesium manufacturing industry in Manchoukuo has made a good start under most favourable conditions.

The company produces metallic magnesium as its main line, and refined salt, bromine, potassium bromide, Glauber's salt and gypsum as side lines. Metallic magnesium is the lightest of all the so-called light metals, its alloy having a specific gravity of only 1.74. In spite of this, it has an endurable toughness. The sphere of its use is widening as a material for the manufacture of machines and tools, especially aircraft, automobiles and spinning looms.

The construction programme of the Manchuria Magnesium Company aims at an annual production of 3,000 metric tons of magnesium, starting with a small plant capable of producing 30 metric tons per annum built in June, 1939, to be followed by the construction of a larger plant with a 1,000 ton capacity by the end of June, 1940, and of the largest one with a 2,000 ton capacity by the end of 1941.

In view of the extensive utilization of this light metal in the manufacture of aircraft, automobiles and accessories thereof in recent years, the acquisition of magnesium in large quantities has become indispensable for the existence of any Power, and the position of the company in the industrial world of Manchoukuo will be paramount when these proposed plants are completed and producing, as they are expected to do, over 3,000 metric tons of magnesium per annum.

MINERAL OIL

Fuhsin Oil Field

An announcement was made on May 16, 1940 by the Manchoukuo Government substantiating the discovery of oil at Fuhsin, in Chinchow Province. According to the announcement the oil field stretches 100 kilometers from east to west with Fuhsin as the center. An appropriation of 5,000,000 yuan has been allotted for the development of this oil field in 1940.

Signs of oil at Fuhsin were first noted by the Manchuria Colliery Company in May, 1936, while drilling for coal in the vicinity of the Fuhsin Hsien Government Office. By the end of the following month the Company succeeded in obtaining crude oil, scanty as it was, and on July 3 a report was made to the Government on the discovery of oil deposits at all of the Company's mine-lots in the Fuhsin district.

Shale Oil Industry

Utilization of the oil shale seam which forms the upper part of the coal veins in the Fushun colliery has attracted the attention of the S.M.R. central laboratory since its very establishment. The first report of the Central Laboratory, made public in 1910, outlined part of the research work conducted on the problem. Resereach work on the oil shale has been kept up and in 1921 its chemical composition was made clear by boring into the various parts of the oil shale seam. Research and laboratory work on the dry distillation of oil shale and the by-products from dry distillation have been completed so successfully that the shale oil industry has been placed on a commercial basis.

Invention of an internal combustion apparatus for dry distillation at the Fushun colliery made it possible to industrialise the manufacture of shale oil in 1928. The success of this new branch of industry may be gauged from the fact that the amount of shale oil now produced is almost equal to the amount of natural petroleum produced in Japan. A plan for the expansion of the shale oil industry on a large scale has already been worked out and is now being executed, thus making a substantial contribution to the successful execution of the Government's fuel policy.

Table 22. OIL SHALE RESERVES

	Quantity (M. tons)	Grade (%)		Quantity (M. tons)	Grade (%)
Funshun	5,400,000,000	5.5	Lotzekow	200,000,000	4 – 6
Fengning	16,000,000	4 – 7	Ilan	2,000,000	4 – 7
Kingfotang ..	12,000,000	3 – 7	**Total**	7,628,000,000	

Coal Liquefaction Industry

The S.M.R. Central Laboratory has been conducting basic research on the direct liquefaction of coal for more than ten years, paying particular attention to its industrialization. Meanwhile, the S.M.R. plant at Fushun for the liquefaction of coal on the basis of a process evolved by the Japanese Navy Fuel Depot, carried out a great revision in its plans and requested the Central Laboratory to participate in the management of the plant. Consequently, the Laboratory decided to cooperate with the plant in perfecting the process of coal liquefaction on the strength of its many years research experience in the field.

In accordance with the revised plan, work on the construction of the plant at Fushun has been expedited since 1937 and a trial operation of part of the technical equipment in the plant was successfully carried out in February, 1939. Trial operation of the machinery, kept up since, proved a success; hence on July 22, 1939, the President of the South Manchuria Railway Company and the Director of the Publicity Bureau of the Navy Office simultaneously announced the success attained by the Fushun plant in liquefying coal.

The coal liquefaction plant at Fushun is still an experimental one so far as size is concerned, but in producing oil of high octane content, the plant has succeeded in establishing the foundation for regular industrialization of this industry.

CHAPTER XX

MANUFACTURING INDUSTRY

The manufacturing industry, in the modern sense of the term, saw its inception in Manchuria in the closing decades of the nineteenth century. The enterprises first to be established consisted of the manufacture of consumption goods, such as paper, matches, tobacco etc., and in the processing of agricultural products indigenous to the country, such as soya beans and wheat. The production of capital goods witnessed its advent after the Russo-Japanese war when the South Manchuria Railway Company erected plants for the manufacture of rolling stock and other railway equipment. But it is only after the foundation of Manchoukuo in 1932 that the manufacturing industries have shown substantial activity and expansion. This is due mostly to the large-scale industrial production programme that was launched to make the country self-sufficient in many of the commodities in which Manchoukuo had been dependent upon foreign countries.

Plans on foot are of a far-reaching nature. They include the establishment of such advanced industries as the production of automobiles and aeroplanes. The realization of these industries is still in the offing, however, due to unsettled world conditions which are impeding the importation of the necessary equipment for the building of these enterprises.

As for the light industries the basic requisites for accelerating such enterprises are rapidly taking shape with the expansion in the generation of electric power and increases in coal and iron production.

Industrial Center

The artery of the manufacturing industries of Manchoukuo is concentrated largely in Mukden. This city is situated in the plains of Central Manchuria and is the junction of two of the most vital railways in the country, one leading to Dairen and the other to Chosen. Since the foundation of Manchoukuo, Mukden has become important increasingly as an industrial center with the establishment of the Tetsunishi district in the southern part of Mukden. At the end of June, 1939 there were ninety-nine factories and plants in this district and thirty-five more were to commence operation in the near future. Plans have been made for the construction of an additional number of fifty-two factories. The number of plants capitalized at over 1,000,000 yuan which were to be completed by the end of 1939 in the Tetsunishi district are the following:

	Capitalization (yuan)
Spinning Mills	
Man-Nichi Flax Spinning Co.	15,000,000
Kyotai Hosiery Co.	5,000,000
Metal Manufacturing	
Manshu Shinwa Factory	1,000,000
Dairen Machinery Co. (Mukden factory)	10,000,000
Machinery Manufacturing	
Manshu Tokyo Electric Co.	10,000,000
Hoten Seisakusho	2,000,000
Manshu Hidate Co.	5,000,000
Chemical Industry	
Kokka Rubber Co.	1,000,000
Oriental Tire Co.	10,000,000
Hoten Yushi	2,000,000
Manshu Kansai Paint Co.	1,000,000
Manshu Shuto Paint Co.	1,000,000
Manshu Paint Co.	1,500,000
Manshu Shoko Glass Co.	3,000,000

Transference of Japanese Factories to Manchoukuo. For some time the authorities concerned have studied the feasibility of transferring from Japan to Manchoukuo some of the idle factory equipment obtaining in the former country. This project is gradually being materialized. In 1940 a total of forty factories were expected to be transferred to Manchoukuo.

Industrial Production

Statistics of production in the manufacturing industries show that in 1936 the value of output amounted to roughly 806 million yuan, of which Manchoukuo accounted for 335 million yuan and Kwantung Province for 470 million yuan. Figures for later years are not available but indications point to a considerable increase in production since 1936 in both the light and heavy industries due to marked expansions in capital investments. Statistics of production, number of factories and workers and the situation in capital investments are given in the following tables

Table 1. STATISTICS OF MANUFACTURING INDUSTRIES IN MANCHURIA

(Production in M¥1,000)

Industries:	Manchoukuo			Kwantung & S.M.R. Zone			Total		
	No. of factories	Actual No. of workers	Production	No. of factories	Aggregate No. of workers (1,000)	Production	No. of factories	No. of workers	Production
Textile:									
1934 ...	1,139	33,389	39,232	128	10,750†	23,312	1,267	44,149	62,544
1935 ...	—	—	—	98	4,090	31,867	—	—	—
1936 ...	1,066	—	70,234	99	4,611	40,768	2,065	—	111,002
1937 ...	—	—	—	58	2,144	—	—	—	—
1938 ...	—	—	—	54	—	—	—	—	—
Metallic:									
1934 ...	740	7,635	15,260	116	2,667†	4,261	856	10,302	19,521
1935 ...	—	—	—	154	9,049	43,667	—	—	—
1936 ...	812	—	23,311	174	6,790	128,629	986	—	151,940
1937 ...	—	—	—	120	1,226	—	—	—	—
1938 ...	—	—	—	143	—	—	—	—	—
Machine & Tool:									
1934 ...	328	4,617	6,727	181	12,425†	22,550	509	17,042	19,550
1935 ...	—	—	—	142	6,340	34,416	—	—	—
1936 ...	421	—	10,177	207	5,357	40,245	628	—	50,422
1937 ...	—	—	—	181	3,841	—	—	—	—
1938 ...	—	—	—	161	—	—	—	—	—
Ceramic:									
1934 ...	405	15,522	5,560	184	9,733†	10,569	589	26,163	16,127
1935 ...	—	—	—	132	2,412	14,765	—	—	—
1936 ...	427	—	11,384	156	4,856	17,037	583	—	28,420
1937 ...	—	—	—	132	1,623	—	—	—	—
1938 ...	—	—	—	—	—	—	—	—	—
Chemical:									
1934 ...	601	8,339	29,836	280	9,267†	74,005	881	17,606	103,841
1935 ...	—	—	—	177	2,829	116,738	—	—	—
1936 ...	742	—	44,483	190	3,146	122,755	932	—	167,238
1937 ...	—	—	—	103	2,076	—	—	—	—
1938 ...	—	—	—	—	—	—	—	—	—
Provision:									
1934 ...	711	6,708	38,136	413	7,453†	28,862	1,124	14,161	69,215
1935 ...	—	—	—	353	1,625	37,070	—	—	—
1936 ...	815	—	110,892	393	2,695	54,819	1,208	—	165,711
1937 ...	—	—	—	163	750	—	—	—	—
1938 ...	—	—	—	161	—	—	—	—	—

	Manchoukuo			Kwantung & S.M.R. Zone					
							Total		
Industries:	No. of factories	Actual No. of workers	Production	No. of factories	Aggregate No. of workers (1,000)	Production	No. of factories	No. of workers	Production
Textile:									
Lumbering & Woodworking:									
1934 ...	526	6,387	5,862	121	2,884†	10,947	647	9,171	16,809
1935 ...	—	—	—	89	795	10,668	—	—	—
1936 ...	578	—	14,635	81	901	10,267	654	—	24,902
1937 ...	—	—	—	65	333	—	—	—	—
Printing & Bookbinding:									
1934 ...	275	4,859	4,798	117	2,392†	4,126	392	7,251	8,924
1935 ...	—	—	—	101	1,168	6,246	—	—	—
1936 ...	302	—	7,414	134	1,464	7,602	434	—	15,016
1937 ...	—	—	—	91	674	—	—	—	—
Miscellaneous:									
1934 ...	1,773	20,541	14,781	237	4,792†	11 613	2,010	25,683	28,274
1935 ...	—	—	—	141	3,671	23,510	—	—	—
1936 ...	1,407	—	42,878	133	2,060	29,440	1,540	—	72,318
1937 ...	—	—	—	103	1,119	—	—	—	—
1938 ...	—	—	—	400	—	—	—	—	—
Total:									
1934 ...	6,469	107,997	164,287	1,790	63,524†	196,362	8,286	172,979	360,649
1935 ...	—	—	—	1,398	32,273	334,956	—	—	—
1936 ...	6,570	—	335,408	1,576	32,332	470,547	8,146	—	805,955
1937 ...	—	—	—	1,021	13,786	—	—	—	—
1938 ...	—	—	—	1,032	17,398	—	—	—	—

Note: Statistics for 1937 with regard to Kwantung are exclusive of the S.M.R. zone, jurisdiction over which was transferre dto Manchoukuo as a result of the abolition of extra-territoriality.

† Indicates actual number of operatives.

Factories operating less than five workers are excluded in the statistics for Kwantung.

Table 2. CONDITION OF INDUSTRIAL COMPANIES

(Capital in Million Yen, A. & B. represent authorized and paid-up capital respectively)

	Japanese Firms			Manchoukuoan Firms			Total			
		Capital			Capital			Capital		% against
	No.	A.	B.	No.	A.	B.	No.	A.	B.	Total
TEXTILE:										
1937	10	9.5	4.4	37	51.8	31.7	47	61.3	36.1	4.08
1938	9	9.4	4.3	51	39.2	42.5	60	88.5	46.8	3.58
1939	11	9.7	6.4	61	87.6	48.3	72	97.3	54.7	3.26
1940	13	9.9	7.3	69	119.7	63.6	82	129.7	70.9	2.95
CHEMICAL:										
1937	47	48.5	33.6	64	140.0	68.1	111	188.5	101.7	11.47
1938	51	48.9	33.9	91	215.0	97.2	142	263.9	131.1	10.03
1939	52	53.0	36.0	113	320.8	131.2	165	373.9	167.3	9.95
1940	53	53.5	38.1	131	462.0	214.4	184	515.5	262.5	10.51
METALLIC:										
1937	47	19.4	9.9	53	213.1	157.6	100	232.5	167.5	18.88
1938	51	25.0	13.7	76	259.6	208.5	127	284.6	222.1	17.00
1939	60	46.9	21.5	106	507.2	394.8	166	554.1	416.3	24.76
1940	63	50.5	40.3	159	621.0	498.6	222	671.5	538.9	22.43
(Continued)										
LUMBERING:										
1937	19	8.2	3.4	61	14.5	8.5	80	22.7	11.9	1.34
1938	21	8.3	3.5	72	21.9	12.2	93	30.3	15.8	1.21
1939	24	9.2	4.5	80	21.7	17.8	104	30.9	22.3	1.33
1940	24	9.5	5.0	100	37.0	30.3	124	46.6	35.3	1.47
PROVISION:										
1937	36	12.1	5.7	146	76.6	48.0	182	88.7	53.7	6.06
1938	41	12.1	5.8	180	65.5	44.3	221	77.6	50.2	3.89
1939	43	16.7	7.4	199	71.0	52.3	242	87.7	59.7	3.56
1940	46	18.2	8.0	223	75.5	57.6	269	93.6	65.6	2.73
MISCELLANEOUS:										
1937	42	3.3	1.8	73	107.8	91.3	115	101.4	93.1	10.50
1938	43	3.4	1.9	78	113.0	93.9	121	116.3	95.8	7.33
1939	43	3.8	2.5	95	127.6	99.7	138	131.5	102.2	6.08
1940	43	6.0	4.7	118	137.3	107.1	161	143.3	118.8	4.65
MINING & CERAMIC:										
1937	46	11.7	6.2	113	380.2	286.3	159	391.9	292.6	32.98
1938	49	12.2	6.6	136	720.2	594.7	185	732.4	601.3	46.01
1939	53	14.0	8.0	157	833.8	700.5	210	847.8	708.5	42.14
1940	54	16.6	9.7	186	1,309.3	1,119.1	240	1,326.0	1,128.9	46.98
ELECTRIC & GAS:										
1937	2	15.0	11.3	26	174.8	119.3	28	189.8	130.5	14.71
1938	2	15.0	11.3	25	175.5	132.7	27	190.5	143.9	11.01
1939	2	40.0	17.5	24	175.4	132.5	26	215.4	150.0	8.93
1940	3	40.1	17.6	21	174.4	18.13	24	214.4	198.8	8.28
TOTAL:										
1937	249	127.6	76.3	573	1,158.0	810.7	822	1,285.7	887.1	100.00
1938	267	134.2	80.9	709	1,649.9	1,225.9	976	1,784.2	1,306.9	100.00
1939	288	193.4	103.8	835	2,145.2	1,577.3	1,123	2,338.6	1,681.1	100.00
1940	299	204.3	130.7	1,007	2,936.3	2,272.0	1,306	3,140.6	2,402.7	100.00

TEXTILE INDUSTRY

Cotton Spinning

Approximately 90 per cent of the clothing in Manchuria is made from cotton. This large demand should have been a stimulus to the development of the cotton growing industry on a large scale in this country. The actual state of affairs points to the contrary, however, almost the entire demand being supplied through Japan and from China.

It was only in 1921 that the cotton spinning industry came to assume an aspect of importance with the establishment of a spinning plant in Mukden. As a result of the increase in population, the subsequent demand for cotton yarn and cotton cloths expanded and in 1937 the total volume of cotton cloths used throughout the length and breadth of Manchoukuo amounted to

650,000,000 square yards, of which only 220,000,000 yards or one-third of the total requirements were supplied in the country and the rest imported from Japan.

In order to improve this situation, the Manchoukuo Government set up a plan for self-sufficiency in the supply of low graded cotton. As a consequence the total volume of production of cotton cloths for 1939 was planned to attain approximately 380 million square yards, or some 60 per cent of the total demand. The areas being devoted for the cultivation of raw cotton both in Manchoukuo and Kwantung Province for the past few years have been growing quite markedly.

A statistical outline of the spinning situation is given below:

Table 3. DETAILS OF SPINNING INDUSTRY

(1935)

	Number of Factories	%	Production (M¥1,000)	%	Amount of Investment (M¥1,000)	%	Number of Workers	%
Wild Silk Reeling	70	6.1	2,859	7.3	604	3.5	10,398	31.1
Cotton Yarn	2	0.2	6,538	16.7	6,172	35.5	2,339	7.0
Cotton Tissue	405	35.6	15,099	38.5	1,886	10.8	9,444	28.2
Woollen Textile	10	0.9	2,663	6.8	5,655	32.5	1,381	4.4
Silk Fabric	7	0.6	236	0.6	82	0.5	398	1.2
Knitted Goods	375	32.9	5,196	13.2	1,602	6.1	6,345	19.0
Dyeing & Weaving	242	21.3	5,634	14.3	784	4.5	2,612	7.8
Cotton Mfg.	11	1.0	705	1.8	46	0.3	265	0.8
Others	17	1.4	302	0.8	1,096	6.3	207	0.5
Total	1,139	100.0	39,233	100.0	17,387	100.0	33,389	100.0

Table 4. SPINNING COS. IN MANCHURIA

(June, 1939)

Cos.	Factories	No. of Spindles	Twisting Spindles	Looms
Naigai Cotton Spin. ..	Chinchow, (Kwantung)	107,552	—	2,272
Manshu Fukubo	Kwantung	49,520	960	—
Manshu Spinning	Liaoyuang	78,700	2,808	1,045
Yingkow Spinning	Yingkow	55,728	—	1,730
Azuma Spin. & Weav.	Chinchow	52,400	—	740
Manshu Cotton Yarn ..	Wafangtien	30,920	18,752	—
Mukden Spin. & Weav.	Mukden	50,816	10,888	2,000
Kungtai Hosiery	Mukden	50,400	—	—
Toyo Tyre Ind.	Mukden	5,000	—	—
Kunghuo Spin. & Weav.	Mukden	—	—	276
Fukuju Weaving	Chinchow	—	—	1,600
Total	11 cos.	481,036	33,408	9,663

Incidental to the development of the China Affair, it has become difficult to realize the projected output of cotton due to the exchange control for the import of raw cotton, curtailment in the production of raw cotton in North China, etc. The aim of the five year plan projected by the Manchoukuo Government in 1937 for the production of raw cotton was to realize the expansion of the total area to 183,000 acres and yielding 100,000,000 lbs. of raw cotton to be carded, or an actual cotton output of 304,000,000 lbs. The plan was later subjected to revision. The time has since been shortened to four years and the volume of production increased to 200,000,000 lbs. of raw cotton at the end of the four-year period.

Manchoukuo, as a cotton growing area, lies the farthest north in latitude of all the other cotton producing countries. Consequently, her cotton yields have seen the ups and downs within a large margin and the destiny of the industry in the future depends greatly upon the extent of the success in the preventing of nature's frivolity by dint of human power.

Manchoukuo obtains the larger portions of her raw cotton from North China, India and the United States.

Table 5. RAW COTTON IMPORT

(Unit: in metric tons)

	Japan	Chosen	China	Brit. India	U.S.A.	Total incl. Others	(M¥1,000)
1934	633	27	774	14,400	1,140	17,000	12,284
1935	0	89	1,300	10,700	220	12,300	9,407
1936	—	34	5,000	16,800	790	23,200	18,601
1937	—	45	5,000	26,300	4,100	37,200	32,202
1938	554	116	1,667	—	—	2,337	2,357
1939	572	213	536	—	—	1,321	1,713

Table 6. COTTON YARN IMPORT

(Unit: in metric tons)

	Japan	Chosen	China	Total incl. Others	(M¥1,000)
1934	3,441	275	6,110	10,016	12,533
1935	3,660	35	1,980	5,690	7,938
1936	4,760	33	596	5,380	7,699
1937	5,550	570	344	6,500	10,740
1938	2,889	290	78	3,280	5,478
1939	1,922	—	69	1,991	4,384

Tussuh Silk Industry

While other lines of the textile industries are more or less bound by control measures and their development bridled in one way or another in Manchoukuo, there is one line which is advancing at big strides free from any yoke whatsoever. This is the tussuh enterprise. Formerly tussuh, which is a kind of silk, was used exclusively for the production of pongee. Of late, however, in view of the necessity for the production of some substitutes for wool, it was discovered that tussuh fiber is highly efficient in this connection, and a phenomenal advance in this industry is being witnessed. Antung, a city on the Yalu river bordering Chosen, is the center of the industry. Its annual output in recent years is said to amount to 5,000-8,000 million cocoons.

Exports of wild cocoon products such as silk pongee, waste silk amounted to M¥14,997,000 in 1939.

Table 12. EXPORT (INCLUSIVE OF SHIPMENT TO JAPAN) OF WILD SILK COCOONS AND OTHERS

(Volume in m. tons; Value in M¥1,000)

	Cocoons, refuse and wild		Raw silk yarn wild		Waste silk		Silk pongees		Total Value
	Volume	Value	Volume	Value	Volume	Value	Volume	Value	
1934 ..	1,395	230	1,480	7,409	1,635	796	17	178	8 613
1935 ..	790	137	1,360	7,279	1,493	1,106	35	325	8,846
1936 ..	1,430	317	990	6,118	990	1,155	35	329	7,919
1937 ..	880	177	1,485	8,386	1,585	2,623	34	298	11,484
1938 ..	258	164	1,199	6,257	1,804	4,698	45	513	11,632
1939 ..	161	70	769	5,877	1,816	7,996	55	1,054	14,997

Rayon. A significant development in the manufacture of rayon has been witnessed in Dairen and Ryojun. From a total of 2,790 yards produced in 1932, the output was up to 237,180 yards in 1935, valued at ¥79,270.

Promotion of the Staple Fibre Industry. Perceiving an urgent necessity of promoting the staple fibre industry, the Manchoukuo Government laid down a concrete policy therefor towards the end of June, 1937. The details of the policy are as follows:

(1) To institute a state laboratory in regard to staple fibre to pursue the study of spinning, weaving, colouring and finishing.

(2) To exempt staple fibre tissues from the consumption tax, reduce the railway freights thereon and encourage the consumer in the use of articles made wholly or partly of staple fibre.

(3) To lay down a state policy of pulp for Japan, Korea and Manchoukuo by taking adequate measures for afforestation and the import of materials for pulp, while ensuring and investigating the resources of materials, taking into consideration the close relations between pulp for the manufacture of rayon and that for paper.

Hemp-Dressing Industry

Manchoukuo is noted as a foremost producer of agricultural products, marketed to all the principal countries of the world. Sacks made of dressed-hemp, therefore, are needed in large numbers for this huge export. The total requirements of sacks in recent years ranged from 35,000,000 to 40,000,000 in addition to some 30,000,000 second-hand sacks. The quantity required, however, is naturally dependent upon the yield of the agricultural products. Since the Government is now planning to increase the output of agricultural products, the requirement for sacks is expected to mount to as much as 80 or 90 million sacks in the not distant future. The total quantity of hemp sacks produced at two of the largest plants in Manchoukuo, namely, the Manchou Seima aggregated 11,300,000 in 1938.

Besides the foregoing plants, the Liaoyang Boma Kaisha, Mannichi Ama Boshoku Kaisha and the Nichiman Boshoku Kaisha are also in this trade. With the products of these latter concerns combined it is expected that self-sufficiency in the supply of hemp sacks will be attained in the near future.

In this connection it is necessary to mention a new specie of hemp now under cultivation called "kenafe", which grows luxuraintly in the regions around the Caspain Sea. This specie was transplanted here a few years ago and in 1939 there was a crop yield of some 5,000 metric tons, from which some 5,000,000 sacks can be produced. It is believed, therefore, that when this industry is developed, it will no doubt prove to be of great help towards the alleviation of the shortage in the supply of hemp sacks

Table 9. MANUFACTURES OF MANCHURIA HEMP-DRESSING CO.

	Gunny bags (Pieces)	Hemp Cloth (yards)	Hemp yarn
1930 ..	3,028,000	442,000	1,560,000
1931 ..	3,765,500	331,000	1,630,000
1932 ..	4,773,000	182,000	1,261,000
1933 ..	4,649,000	175,000	1,166,000
1934 ..	4,629,000	174,000	1,829,000
1937 ..	16,800,000	—	—

Table 10. PLANTATION OF NICHI-MAN FLAX SPINNING & WEAVING CO.

	Area under Cultivation (Cho)	Crop of Green flax (Lbs.)
1934	2,000	70,000,000
1935	6,000	150,000,000
1936	10,000	300,000,000
1937	15,000	450,000,000
1938 (Estimate)	28,000	700,000,000

Table 11. IMPORT OF FLAX, RAMIE, HEMP AND MANUFACTURES THEREOF

	Jute, Flax, Ramie, etc.		Yarn, thread, cordage twine and rope		Gunny bags, new		Gunny bags, old		Total value
	(m. tons)	(M¥1,000)	(m. tons)	(M¥1,000)	Piculs (1,000)	(M¥1,000)	Piculs (1,000)	(M¥1,000)	(M¥1,000)
1933 ..	7,806	1,394	—	—	467	11,925	353	5,067	20,377
1934 ..	18,367	2,666	1,900	912	427	10,390	506	5,744	20,463
1935 ..	17,362	2,205	2,520	3,326	556	10,599	345	4,041	18,913
1936 ..	21,684	3,049	2,840	1,652	446	9,468	368	4,557	19,516
1937 ..	26,041	3,942	4,180	2,343	737	15,347	301	3,926	27,590
1938 ..	14,057	4,929	2,191	1,447	52,993*	18,196	9,204*	2,714	27,286
1939 ..	12,420	4,311	1,696	2,262	31,210*	14,521	25,509*	18,792	39,886

Note: * 1,000 Pieces.

Woolen Industry

The woolen industry in Manchoukuo subsists chiefly on the wool obtained from sheep. It is stated that an increase in the number of sheep to 35,000,000 heads within the next 35 years is being planned. The breeds which are being reared at present are the merino, improved, crossbred and the Mongolian, of which there are at present some 9,000, 10,000, 30,000 and 3,500,000 heads, respectively.

The production of woolen textiles is at present dominated almost wholly by the Mukden plant of the Man-Mo Keori Kaisha and the Harbin plant of the Kotoku Keori Kaisha which account for a combined output of ¥10,000,000 annually. Including imports, the total consumption of woolen goods and textiles in Manchoukuo reached approximately ¥40,000,000 annually until the outbreak of the China Incident.

Bean Oil Milling

The soya bean oil milling enterprise enjoys a pre-eminent position among the various industries of Manchuria. This is due in great measure to the fact that Manchuria is one of the largest growers of soya beans and that bean oil and bean cakes form important items in the exports of the country. The value of bean oil output amounted to over thirty-one million yuan in 1936, and production is mainly centered in the cities of Dairen, Yingkow, Antung and Harbin.

Uses of Bean Oil. Soya bean oil was used originally by the Chinese for cooking, lighting, and lubricating purposes and the demand was limited within China. In less than thirty years, however, it began to occupy an important place in the world market. The chief reasons for this rapid recognition are the cheapness of its manufacturing cost as compared with other vegetable oils and the wide range of its utility as substitute in the fields of industry and foodstuffs, such as substitute for linseed oil in the manufacture of paint, for olive oil and cotton-seed oil in the manufacture of foodstuffs, as a material in the making of soap. On the other hand, its chief drawback is the fact that it can not surpass the materials for which it is substituted. For example, linseed oil cannot be used as a foodstuffs but it is the best material in the making of paint and the bean oil is used only in case the supply of linseed oil is small or its cost is high.

The olive oil and cotton-seed oil far surpass the bean oil as foodstuff but they are utterly unfit in the manufacture of paint, while the peanut oil, palm oil, olive oil, copra oil, and cotton-seed oil greatly excel the bean oil in the manufacture of soap. Thus, the fields in which the bean oil can be used are wide. The price of bean oil fluctuates in the world market in accordance with the supply of other oils. However, the bean oil has cultivated its demand in the past by adjusting its price to suit the world market. Because the soya beans used as raw material are inexpensive, the extration of bean oil is both easy and cheap. The crude bean can be preserved easily and for a long time, and the demand for bean cakes, the by-product, is great.

Table 22. OUTPUT OF BEAN OIL AT THE PRINCIPAL CITIES
(Unit: in 1,000 Kin; 1 Kin=0.6 kilogram)

	Dairen	Yingkow	Antung	Harbin	Total	Total incl. Others	
							(M¥1,000)
1932	154,620	26,240	22,930	17,270	221,061	238,720	32,657
1933	98,209	20,540	17,280	16,410	152,520	192,180	26,617
1934	91,023	11,216	17,706	13,896	133,841	214,175	20,216
1935	63,895	12,175	10,572	19,193	105,836	198,165	25,308
1936	57,301	7,676	5,701	15,559	86,237	157,760	31,505
1937	58,632	8,578	5,000	19,756	91,967	—	—
1938	64,478	2,300	6,264	24,212	97,255	—	—
1939	89,022	2,896	6,784	29,148	127,850	—	—

Bean Cake

The residue from the extraction of oil from soya beans is manufactured into bean-cakes, which are highly valued as a fertilizer and as animal feed. Manchurian bean-cakes are exported abroad in large quantities. In 1939 total exports of bean-cakes amounted to 1,220,000 metric tons, value at M¥125.253,000. The largest purchaser was Japan which took 807,000 metric tons.

Bean-cakes are used almost wholly as fertilizer in Japan, but in Europe they are principally used as animal feed. With the betterment of the manufacturing methods of bean-cakes it is expected that the uses of this product will gradually widen. Excellent results are being obtained already in various countries in this direction. Especially noteworthy is the recognition of the fact that the protein content of bean cakes is the cheapest obtainable protein today and research works are directed in an added degree toward the utilization and manufacture of various protein products.

The output of bean-cakes, classified by principal cities, and the number of bean-cake mills are subjoined:

Table 23. OUTPUT OF BEAN CAKE AT THE PRINCIPAL CITIES
(Unit: Volume in 1,000 pieces; 1 piece weighs 27.6 kgs.)

	Dairen	Yingkow	Antung	Harbin	Total	Total incl. Others	
							(M¥1,000)
1932 ...	30,812	5,228	4,568	3,441	44,050	47,744	80,687
1933 ...	19,587	4,093	3,444	3,270	30,394	38,436	59,576
1934 ...	20,227	2,772	3,935	2,911	29,845	42,835	50,117
1935 ...	14,198	2,921	2,349	3,870	23,339	39,633	53,901
1936 ...	12,734	1,877	1,267	3,392	19,269	31,552	63,135
1937 ...	13,029	1,973	1,040	3,614	19,656	—	—
1938 ...	14,329	491	1,139	4,626	20,585	—	—
1939 ...	19,528	897	1,172	5,930	27,527	—	—

Table 24. NUMBER OF BEAN-CAKE MILLS AND PRODUCTIVE CAPACITY

		South Manchuria Districts				North Manchuria Districts		
		Dairen	Antung	Yingkow	Other places	Harbin	Other places	Total
No. of mills	1923 ..	87	25	29	416	42	7	606
	1929 ..	59	26	22	297	40	28	472
	1933 ..	50	23	20	238	43	28	402
	1936 ..	45	22	14	289	24	28	422
	1937 ..	42	21	20	235	28	20	365
Productive capacity in 1,000 pieces of bean-cake per day	1923 ..	308	45	42	128	87	5	615
	1929 ..	218	54	39	130	83	46	570
	1933 ..	149	37	33	88	94	38	439
	1936 ..	173	36	29	90	57	38	423
	1937 ..	140	31	31	70	60	24	356

Bean Cake as Fertilizer. Among the constituent elements of bean cakes are three fundamental elements of fertilizer, namely, nitrogen, phosphoric acid, and potassium. Especially important is the nitrogenous content of bean cakes which averages about 6.8% in the case of the Round Cake, while its absorbability and fertilizing quality are excellent, making the bean cakes a fine nitrogenous fertilizer. As compared with 6.8% of nitrogen, the average phosphoric content of bean-cakes is 1.2% and the potassic content 1.7%, making the bean cakes usable also as phosphoric or potassic fertilizer.

Bean Cake as Animal Feed. The bean cake as an animal feed, especially in its digestability and the quantity of its protein content, equals the cotton-seed cake and peanut cake and excels other oil cakes. Moreover, it does not give any harmful effect upon domestic animals as in the case of other oil cakes. It has been used, therefore, in Manchuria and China for years as an excellent animal feed. In Europe and America, the soya beans are first of all used for extracting oil and the resultant bean cakes are used almost entirely as animal feed and not as fertilizer as in Japan. Of the Manchurian bean cakes, the Plate Cakes produced by the Nisshin Oil Mills at Dairen and the Anglo-Chinese Eastern Trading Company at Harbin were pulverized and exported to America where they were used as chicken feeds. In recent years the Round Cakes are exported to Europe either in their original form or in the form of dried and pulverized condition.

Table 25. EXPORT OF BEAN OIL AND BEAN-CAKE BY DESTINATIONS

(a) Bean Oil

Volume (m. tons):

	Japan, Chosen & Taiwan	China	Hong-kong	Ger-many	Great Britain	Nether-lands	U.S.A.	Total incl. Others
1932	387	91,200	—	20,350	4,220	6,300	998	128,000
1933	278	47,675	—	24,400	4,910	2,520	1,960	81,120
1934	1,322	31,800	1,610	43,750	2,520	10,210	426	97,200
1935	755	9,730	9,180	26,200	15,900	11,410	6,000	89,000
1936	1,230	9,720	10,900	26,000	11,390	3,840	2,550	66,000
1937	615	2,306	6,527	19,407	3,443	24,666	5,907	69,654
1938	298	21,166	180	15,907	225	14,441	712	57,248
1939	4,989	22,777	5	9,553	283	8,991	5,579	72,508

Value (M¥1,000):

	Japan, Chosen & Taiwan	China	Hong-kong	Ger-many	Great Britain	Nether-lands	U.S.A.	Total incl. Others
1932	79	17,932	—	3,768	777	1,086	198	24,512
1933	63	10,519	—	5,497	1,127	570	449	18,473
1934	302	4,792	316	7,703	454	1,754	82	16,262
1935	178	2,208	2,052	5,935	3,584	2,580	1,370	20,132
1936	429	3,111	3,291	8,183	3,551	1,236	860	21,383
1937	219	847	2,411	6,731	1,303	9,253	2,197	25,343
1938	93	5,317	46	3,804	51	3,625	157	14,099
1939	1,774	7,289	3	2,728	76	3,059	1,783	23,051

(b) Bean-cake

Volume (1,000 m. tons):

	Japan, Chosen & Taiwan	China	Ger-many	Nether-lands	U.S.A.	Great Britain	Total incl. Others
1932	719	479	43.9	11.5	12.2	3.4	1,420
1933	765	234	8.4	5.2	25.4	1.6	1,040
1934	972	182	9.3	4.5	30.5	1.0	1,205
1935	765	192	6.3	0.6	39.2	1.9	980
1936	701	110	4.5	0.2	4.1	0	849
1937	646	99	4.2	0.8	37.5	—	802
1938	807	40	0.3	3.1	8.4	—	869
1939	1,077	124	0.5	2.3	5.9	—	1,220

Value (M¥1,000):

	Japan, Chosen & Taiwan	China	Ger-many	Nether-lands	U.S.A.	Great Britain	Total incl. Others
1932	34,437	24,700	1,781	424	543	166	66,301
1933	40,948	12,976	471	257	1,265	81	57,614
1934	41,376	7,475	386	184	1,256	39	51,509
1935	38,076	9,946	333	30	1,945	98	51,370
1936	43,220	7,341	320	13	1,610	5	53,127
1937	50,292	7,713	301	59	2,896	—	62,336
1938	65,365	3,134	30	284	774	—	70,575
1939	110,923	12,378	52	241	626	—	125,253

Flour Milling

There has always been considerable room for the development of the flour industry in Manchuria. According to the foreign trade returns for 1939, Manchoukuo imported 298,942 metric tons of wheat flour in that year, while the domestic needs amounted to 880,000 metric tons. The consumption of flour in Manchoukuo is only one bag per capita per annum, in striking contrast to 8 bags, which is the per capita amount in North China.

The output of wheat in Manchoukuo is still far from the level of two million tons of the domestic requirements. During 1939, the shortage of wheat due to an unsatisfactory crop necessitated restriction on the production of flour, compelling the milling industry to mark time, while causing a keen competition for the product.

Table 34. STATISTICS OF FLOUR MILLS

	Flour mill		Demand and supply (in bag of 22 kg.)		
Year Ending Feb.	No.	Production capacity per day (bags)	Production	Import	Consumption
1933	—	—	8,809,652	22,931,124	31,740,776
1934	—	—	7,847,689	23,695,043	31,542,732
1935	70	110,540	11,043,073	21,083,942	32,127,015
1936	—	—	23,720,796	9,536,683	32,257,479
1937	70	119,840	29,432,378	3,553,671	32,980,049
1938	76	—	—	10,900,000	—
1939	93	—	—	13,588,273	—

Flour Milling Industry Control. Under these circumstances, the Government while importing flour from Japan, instituted control over production, distribution, and consumption of flour. As a subsidiary organ of control, the Manchuria Flour Industrialists' Association was organized, with the following objects:

(1) To maintain the price of domestic wheat at a high level (this to stimulate wheat cultivation);
(2) To keep the price of flour as low as possible;
(3) To secure smooth distribution of wheat and flour;
(4) To restrain the consumption of flour;
(5) To restrict foreign flour as much as possible.

Manchuria Flour Control Company. The Government took steps to revise the organic structure of the Manchuria Flour Control Company. Under the revised system, the Company will regulate not only the price and distribution of flour but also the production of wheat flour and substitute flour. Further, to assist the farmers in times of bad crops, a certain percentage of the purchasing price of wheat is set apart to build up a relief fund.

Nichiman Flour-Milling Company. The Company was first organized as a Japanese corporation, with a capitalization of ¥2,000,000. Starting its business with two factories in Harbin and one factory each in Suihua and Hailar, the Company, in October and November, 1936, purchased six factories in Harbin and transferred them to suitable localities. In Hailing, a seventh factory was acquired, also by purchase, in January, 1938. These factories have all been modernized and the capacity of production trebled. To carry out the expansion above mentioned, the Company increased its capital to 10,000,000 yuan in December, 1936.

The Company decided to engage also in the flour substitute industry, and also in rice polishing. The factories for these purposes were completed in Harbin, Tsitsihar, Chinchow, Anta, and Hailing in March, 1940. The Company has a subsidiary in the Nikko Provisions Company, capitalized at ¥2,000,000. To contribute to the Northern Frontier Development Scheme, the firm is undertaking the cultivation of a large tract of land in North Hsingan Province.

Spirit

Formerly, the distilling industry in North Manchuria was carried on by small distilleries. On the establishment of a big distillery under Japan-Manchoukuo joint management in November, 1933, some of those distilleries were closed down.

The company referred to above is styled the Tatung Alcohol Distilling Company, which was brought into being by purchasing plants owned and managed by Mr. Su Peng-chi. It is capitalized at ¥1,670,000 which is paid up. It has three plants with a total annual capacity of 40,000 koku. The Company is also planning the manufacture of an alcoholic fuel to replace gasoline for the use of motor-cars.

Table 28. ALCOHOL FACTORIES IN MANCHOUKUO

(End of Mar., 1936)

Name of companies	Locality	24-hour Capacity (Hectolitres)
Tatung (1st)	Harbin	16.00
„ (2nd)	„	14.80
„ (3rd)	„	3.08
Szehohsing	Hailar	3.08
Tungyung	Tungning	1.23
Chunghua	Harbin	5.54
Tahsing	„	3.08
Tunghsing	„	2.46
Chenpien	Taheiho	8.61
Shangkao	Harbin	6.15
North Manchuria Sugar Mfg. Co.	Ashih-ho	8.61
Manchuria Sugar Mfg. Co.	Mukden, Hulan	8.61
Total		81.25

Saké

Many places of Manchoukuo are suited for the brewing of saké by reason of the quality of water. This industry has therefore gradually developed with the increase in the number of Japanese residents. The output of saké for 1938 amounted to 57,000 koku or 103,771 kilolitres.

Saké imports in 1939 amounted to 9,530,000 litres valued at ¥6,970,000. Production of alcoholic liquors in Kwantung is subjoined.

Table 26. PRODUCTION OF ALCOHOLIC LIQUORS IN KWANTUNG

(Volume in koku; Value in yen)

	Production			
	Japanese sake		Chinese liquors	
	Volume	Value	Volume	Value
1933	9,853	553,780	9,928	539,559
1934	16,420	1,010,670	9,792	497,529
1935	14,740	925,333	10,994	493,608
1936	12,254	725,500	12,078	518,607
1937	10,725	663,148	7,694	567,373
1938	—	759,398	—	792,998

Beer

The demand for beer in Manchuria, was 2,800,000 dozens in 1937.

Beer brewing was carried on many years ago in Imienpo and Harbin in North Manchuria and Dairen in South Manchuria. The breweries in Dairen had long been closed down under the pressure of Japanese imports. Two breweries in North Manchuria had been the only breweries in existence in Manchuria until the Manchurian incident of 1931. Since then, the demand for beer has greatly increased due to the growth in the number of Japanese settlers.

Beer imports in 1938 amounted to 1,221,812 dozens of bottles valued at ¥2,986,000.

Table 27. BEER BREWERY COMPANIES IN MANCHOUKUO

(End of May, 1938)

	Locality	Etablished	Authorized Capital	Annual Capacity (Bottles)
Dai-Manshu Hop Beer Brewery Co. (a)	Harbin	1934	¥2,500,000	5,000,000
Harbin Beer Brewery Co. (b)	„	1936	2,000,000	4,800,000
Tahsing „ „ „ (c)	„	—	—	3,500,000
Manchuria „ „ „ ..	Mukden	1934	2,000,000	9,600,000
Asia „ „ „ (a)	„	1936	1,000,000	5,760,000
Oriental „ „ „ ..	Harbin	1933	—	400,000
Harbin Beer Factory	„	1933	—	300,000
Total	—	—	—	29,360,000

Ice

Dairen is the biggest ice consuming market in Manchuria. The Dairen Ice Manufacturing Company, which is the sole supplier to the market, has a daily productive capacity of about 200 tons. The combined capacity of ice at the other important cities are 415 tons.

Soy

In sympathy with the rapidly increasing number of Japanese residents since the foundation of the country, the soy industry has made marked developments. The output of soy in Manchoukuo and Kwantung was estimated at 120,000 koku in 1938. Imports of soy were valued at ¥3,819,000 in 1939.

Table 29. PRODUCTION OF SOY AND MISO (BEAN PASTE) IN KWANTUNG

		Production			
		Miso		Soy	
	No. of plants	Volume (Kwan)	Value (Yen)	Volume (Koku)	Value (Yen)
1931	16	646,691	230,725	20,950	520,633
1932	17	837,850	312,540	58,069	553,388
1933	22	953,129	338,751	39,714	923,542
1934	22	1,090,711	453,757	49,259	1,168,904
1935	24	1,357,560	495,464	52,102	1,136,847
1936	31	1,485,739	712,848	116,734	1,373,284
1937	22	982,398	345,658	44,253	961,475
1938	—	—	792,652	—	1,226,872

Note: Factories operating less than 5 workers excluded.

Sugar

The climate of Manchuria is suited for the cultivation of beetroot but not for sugar cane. The cultivation of beet-root was started in 1906 or 1907. The manufacture of sugar from beetroot was initiated in 1909 when a sugar mill was established at Ashiho. Since then no small number of sugar mills have been set up in both North and South Manchuria. Sugar production has shown a significant expansion, rising from 30,246 piculs in the crop year of 1933 to 293,097 piculs in the crop year of 1939.

Sugar imports in 1939 amounted to 183,573 metric tons valued at ¥42,396,000.

Table 30-A. SUGAR PRODUCTION IN MANCHOUKUO

(In piculs)

	Manchuria Sugar Manufacturing Co.					
Crop Year Ending Feb.	Mukden (Former South Manchuria Sugar Mfg. Co.)	Hsinking (Former Tiehling)	Harbin (Former Hulan Sugar Mfg. Co.)	Total	North Manchuria Sugar Mfg. Co., Ashiho	Grand Total
1920	23,496	—	—	23,496	21,021	44,517
1921	58,434	—	—	58,434	15,834	74,268
1922	60,075	—	—	60,075	9,282	69,357
1923	73,702	16,382	38,220	90,084	12,831	141,135
1924	52,156	23,590	40,950	75,746	43,680	160,376
1925	13,545	24,659	*40,000	38,204	27,437	*105,641

(Continued)

Crop Year Ending Feb.	Manchuria Sugar Manufacturing Co.				North Manchuria Sugar Mfg. Co., Ashiho	Grand Total
	Mukden (Former South Manchuria Sugar Mfg. Co.)	Hsinking (Former Tiehling)	Harbin (Former Hulan Sugar Mfg. Co.	Total		
1926 ……	50,191	47,003	—	97,194	*30,681	*127,875
1927 ……	—	—	—	—	*11,712	* 11,712
1928 ……	—	—	—	—	*31,941	* 31,941
1929 ……	—	—	2,379	—	—	2,379
1930 ……	—	—	1,830	—	—	1,830
1931 ……	—	—	—	—	—	—
1932 ……	—	—	—	—	—	—
1933 ……	—	—	—	—	30,246	30,246
1934 ……	—	—	—	—	64,536	64,536
1935 ……	—	—	—	—	52,124	52,124
1936 ……	—	—	—	—	68,715	68,715
1937 ……	49,117	—	—	49,117	55,689	104,806
1938 ……	67,403	—	58,499	125,902	68,520	194,422
1939 ……	84,458	—	102,399	186,857	71,406	258,263
1940 ……	87,486	37,901	100,550	225,938	67,159	293,097

Note: * Estimate. Harvest period in Manchoukuo is chiefly from November to February of the following year.

Table 30-B. AREA, PRODUCTION, EXTRACT, ETC.

	Area (Cho)	Raw material consumed (1,000 kin)	Output (piculs)	Extract (%)	Beet output per cho (kin)	Sugar output per cho (kin)
1933 …..	3,888	21,143	30,246	14.25	10,880	778
1934 …..	3,600	46,371	64,536	13.92	12,820	1,793
1935 …..	3,456	36,349	52,124	14.39	9,480	1,508
1936 …..	3,694	54,413	69,715	12.65	14,730	1,860
1937 …..	5,421	85,956	104,806	12.19	14,800	1,933
1938 …..	11,386	163,802	194,422	11.87	14,380	1,708
1939 …..	16,890	237,613	258,263	10.87	14,060	1,524

Table 31. SUGAR MANUFACTURING COMPANIES IN MANCHURIA

(End of April, 1939)

	Factories		Capacity per 24 hours day (In m. tons)	Paid-up capital (M¥1,000)	Established	Interests
Manchuria Sugar Manufacturing Co. …….	Mukden …	Beet sugar ..	500	5,000	1935	Japanese & Manchoukuoan
		Refined Sugar	90			
	Hsinking ..	Beet sugar ..	500			
	Harbin …	Beet sugar ..	500			
	*Suihua ….	Beet sugar ..	500			
	*Kirin …..	Beet sugar ..	500			
North Manchuria Sugar Manufacturing Co. …	*Ashiho ….	Beet sugar ..	400	2,000	1934	Japanese & White Russian
		Refined sugar	40			
	*Others ….	Beet sugar ..	500			
Hokuman Sangyo K.K. .	*Mutankiang	Beet sugar ..	500	12,500	1939	Japanese
	*Others ….	Beet sugar ..	500			

Note: * Under project.

Table 32. DEMAND AND SUPPLY OF SUGAR IN MANCHURIA

(In piculs of 60 kilograms)

	Production	Import	Export	Re-export	Consumption	Consumption per capita
1928 …	—	1,218,204	—	—	1,218,204	3.69
1929 …	—	1,422,923	—	—	1,422,923	4.31
1930 …	—	1,360,762	—	—	1,360,762	4.04
1931 …	—	1,108,939	—	—	1,108,939	3.25
*1932 …	—	1,558,139	828	172,834	1,384,477	4.48
1933 …	30,246	2,001,214	15	437,106	1,594,369	5.30
1934 …	64,536	1,548,497	16	313,838	1,299,179	4.24
1935 …	52,124	1,776,721	—	260,348	1,568,497	4.77
1936 …	68,715	3,696,968	—	1,907,069	1,858,614	5.18
1937 …	104,806	2,798,117	—	1,202,050	1,700,873	4.61
1938 …	194,422	3,938,450	—	2,196,400	1,936,472	5.06
1939 …	258,263	3,059,566	—	1,262,050	2,055,779	5.34
1940 …	293,097	—	—	—	—	—

Note: Exclusive of cube sugar in 1932.
* Re-export include sales principally to China in recent years.

Table 33. SUGAR IMPORTS OF MANCHURIA BY KINDS

(In picul=60 kilograms)

	Under Dutch Standard No. II	Plantation white sugar	Refined sugar	Rock sugar	Cube & loaf sugar	Total	Molasses
1926	164,585	125,016	510,607	50,104	17,115	867,427	—
1927	224,078	431,262	348,514	56,222	29,444	1,089,520	—
1928	188,643	380,461	514,486	42,254	14,320	1,140,164	—
1929	164,321	677,238	400,013	63,403	27,634	1,332,609	—
1930	211,767	346,997	685,323	45,380	19,180	1,308,647	—
1931	112,146	249,710	677,173	37,723	11,859	1,088,611	—
1932	188,951	230,879	1,090,989	47,320	—	1,558,139	44,843
1933	206,661	37,318	1,688,838	68,397	—	2,001,214	65,526
1934	176,295	7,117	1,282,761	60,797	21,527	1,548,497	34,616
1935	142,671	7,047	1,544,225	50,671	32,107	1,776,721	59,505
1936	334,526	197,831	3,070,203	58,957	35,451	3,696,968	182,791
1937	523,974	341,819	1,860,122	34,581	37,621	2,798,117	85,788
1938	1,137,050	848,600	1,752,083	200,267		3,938,450	—
1939	618,766	650,100	1,424,733	418,000		3,059,567	—

Electro-Chemical Industry

As a first step towards the promotion of the electro-chemical industry, a special corporation named the Manchuria Electro-Chemical Industry Company was established in October 1938 with a capital of 30,000,000 yuan to provide for the development of the chemical industry. Concerning the aforementioned capital, the Government is to provide 20,000,000 yuan and the Manchuria Electric Corporation Ltd. 10,000,000 yuan.

The Manchuria Electro-Chemical Industry Company is set to utilize the surplus hydro-electricity of the Sungari power plant amounting to some 700,000,000 kw. for the annual production of 200,000 metric tons of carbide which will provide the basis for the chemical industry. Furthermore, it is the aim of this Company to establish subsidiary companies to which carbide will be supplied for the manufacture of different products. At the present time the Manchuria Electro-Chemical Industry Company has in contemplation the production of the following articles annually:

	Annual Production (metric tons)
Synthetic Rubber	20,000
Acetone	1,000

(Continued)

	Annual Production (metric tons)
Coal Nitrogen	30,000
Perchloric Acid Ammonia	1,000
Tussuh Silk	1,000

Ammonia Sulphate

The production of ammonia sulphate is making much headway, the output for 1935 by three of the major producers, namely, the Fushun Oil Factory, the Fushun Electric Power Station and the Showa Steel Works, amounting to 39,122 metric tons. Projects had been laid to increase the output of this chemical to 348,000 metric tons by the end of 1939. Of this amount the Manchuria Chemical Industry Company was expected to account for 240,000 metric tons.

As a result of the independence of Manchoukuo from China in 1932, which charged Japan with the mission of chemical exploitation of the resources of the new country, a charter for the Manchuria Chemical Industrial Company was granted by the Tokyo Government in December, 1932 and the Company was formerly organized in May, 1933. A factory was started at Kanchengtzu near Dairen. Of the capitalization of ¥25,000,000, a half was taken up by the South Manchuria Railway Co. In March, 1935 the factory was completed and immediately put in operation with the purpose of turning out sulphate of ammonia to the amount of 180,000 metric tons a year to be increased later. The plant is equipped with 35 coke ovens. There is a coal shed of 2,000 tons capacity for fueling the ovens. The plant uses 30,000 kilowatt of electric power, a daily supply of 8,000 tons of fresh water and 64,000 tons of salt water and consumes 120,000 tons of Fushun coal yearly.

Table 18. PRODUCTION OF SULPHATE OF AMMONIA

(In Metric tons)

		S.M.R. Co.			
	Manchuria Chemical Ind. Co.	Fushun oil factory	Fushun electric power station	Showa Steel Works	Penhsihu Iron & Colliery Co.
1933	—	18,376	5,681	4,891	—
1934	—	14,675	5,560	6,958	—

(Continued)

	Manchuria Chemical Ind. Co.	S.M.R. Co. Fushun oil factory	S.M.R. Co. Fushun electric power station	Showa Steel Works	Penhsihu Iron & Colliery Co.
1935	—	24,717	6,175	8,230	—
1936	181,033				
1937	135,408	26,154	6,391	11,480	1,843

Table 19. PRODUCTION CAPACITY OF MANCHURIA CHEMICAL INDUSTRIAL CO.

(End of Sept. 1937)

	Metric Tons		Metric Tons
Sulphate of Ammonia ...	240,000	Nitrate of Ammonia	3,000
Sulphuric Acid (50°) ...	210,000	Tar	1,000
Sulphuric Acid (60°)	10,000	Creosote	1,000
Nitric Acid	3,000	Pitch	2,000
Benzol	1,000	Cokes	100,000

The ammonia sulphate industry received a further impetus in 1939 by the establishment of the Manchuria Ammonia Sulphate Company, capitalized at ¥50,000,000 invested in equally by the Manchoukuo government and Japanese industrial guilds. The company plans to produce 200,000 metric tons of ammonia sulphate annually commencing 1941, and will establish its plant at Hulutao.

Export. Exports of sulphate of ammonia were 128,029 metric tons valued at ¥11,777,000 in 1939.

Paint

Despite a growing demand for paint due to building activities and other developments, the country has hitherto been almost entirely dependent upon imports for the supply of this line of goods. Since the Manchuria Incident, however, the paint industry has gradually expanded and improved. In December, 1934 the Manchurian Paint Company amalgamated the Harbin Paint Company in order to meet swiftly increasing demands for paint. At present there are in Manchoukuo only three paint factories, namely, the Dairen and Harbin factories of the Manchurian Paint Company and the Mukden factory of the Nippon Paint Company. These three factories supply about 70 per cent of the total requirements of paint of Manchoukuo.

The Manchurian Paint Company was established in February, 1919 in Dairen capitalized in 1938 at ¥1,500,000 (625,000 paid-up). Its products consist of common paint, mixed paint, varnish, paint oil, aqueous wall paint, putty, illuminating paint, hydrozincite and other chemicals. Since its establishment, the Company has steadily developed. It has branches in Shanghai, Tientsin and Harbin. Its productive capacity is ¥700,000 to ¥900,000 a year. The manufacturers mentioned above find their markets not only in North and South Manchuria but also in China and the South Seas region. After the Manchurian Incident, there was established at Mukden another paint company styled the Japan-Manchoukuo Paint Company with a capital of ¥1,000,000, of which ¥250,000 was paid up. In September, 1934 the Company was merged in the Nippon Paint Company, which has had steady markets in Manchuria for twenty years past, and has since been known as the Mukden factory of the Nippon Paint Company. Its annual productive capacity is put at ¥1,500,000.

Paint imports in 1939 amounted to ¥1,582,000.

Dyestuff

Formerly, the people of Manchuria made a considerable amount of indigo and other dyestuffs from the bark of pagoda or maple tree. In those days small dyestuffs plants existed in all parts of the country. With the appearance of German dyes in the market the industry began fast to lose strength. Due to the stoppage of the import of German dyes during the World War, Japanese and American dyes found their way to the Manchurian market, while the manufacture of indigo revived.

The Yamato Dyestuff Company is the only company of the kind in Manchoukuo. It was established in Dairen in 1919 It is capitalized at ¥2,000,000, of which ¥800,000 is paid up. Its productive capacity is 2,000,000 kin.

Imports. Imports of coal tar dyes in 1939 were valued at ¥6,796,000. Principal exporters are Germany and Japan.

Paper

About 80 per cent of the demand for paper is supplied from abroad, Japan being the major supplier.

There are two large paper manufacturing companies in Manchoukuo, namely, the Yalu Paper Manufacturing Company and the Matsuura Paper Manufacturing Company. The former is capitalized at ¥5,000,000, representing the Okura and Ohashi interests and has a capacity of 12,000 tons for pulp and 8,500 tons for paper. The latter is capitalized at ¥300,000 and has a capacity of 900 tons. Until the foundation of Manchoukuo there were a number of minor paper mills operating in the country, including the Funing Paper Company, which has since been merged.

Imports. Paper imports in 1939 were valued at ¥49,589,000.

Pulp

The pulp industry of Manchoukuo was initiated in 1919 by the Yalu Paper Manufacturing Company, when it installed equipments for an annual capacity of 12,000 metric tons. Owing, however, to the post-war economic crisis, the Company was forced to suspend operations. As a result of the Manchurian Incident, the Japan-Manchoukuo economic bloc was completed, while the rayon industry began to make phenomenal developments.

Table 17. PULP MANUFACTURING CONCERNS

(End of June, 1938)

	Established	Authorized Capital	Paid-up Capital	Affiliation	Felling Dist.
Toho Pulp Ind. Co.	May, 1934	¥30,000,000	¥7,500,000	Kanebo	Chientao, Antu, Fusung, Menkiang
Japan-Manchuria Pulp Co.	Sept., 1936	15,000,000	5,000,000	Oji Interest	Mutankiang Valley, Huatien
Manchuria Pulp Industrial Co.	May, 1934	10,000,000	5,000,000	Mitsubishi	Huachuang, Poli, Iran, Fangsheng
Toyo Pulp Co. ..	Sept., 1936	10,000,000	5,000,000	Kawanishi	Chientao
Chengteh Reed Pulp Co.	Nov., 1936	5,000,000	2,500,000	Kanebo	Yingkow
Soya Bean Pulp Co.	Aug., 1937	10,000,000	5,000,000	Sakai Fibre Ind. Mitsui Bussan S.M.R.	Kaiyuan

Reed Pulp

A process for converting Manchurian reed into pulp which was successfully made by the Kanegafuchi Spinning Company some ten years ago has led to the establishment of a reed pulp industry in the country. Much hope is pinned in the future of this enterprise. The Kanegafuchi Spinning Company produced in 1938 approximately twenty tons of reed pulp daily, and plans are on foot to increase yearly production to 150,000 tons at a total outlay of ¥80,000,000. The Kanegafuchi Spinning Company purchased approximately 10 square miles of reed land along the Liao river at a cost of ¥1,600,000. A similar amount of reed land was purchased by the Oji Paper Company which is also interested in the reed pulp industry. Plans for developing the reed pulp industry in Shingishu, Chosen is also under consideration by the Kanegafuchi Spinning Company.

Cement Industry

Prior to the Manchurian Incident of 1931, there existed no cement factory in Manchuria except the cement plant of the Penhsihu Iron Works which produced blast furnace cement for self-consumption by mixing its slag with imported Portland cement at the ratio of 40 per cent. In the Kwantung Leased Territory, however, the Onoda Cement interests were already operating in the vicinity of Dairen a branch factory, which supplied the bulk of its output to Manchuria.

Since the founding of Manchoukuo, however, the local demand for cement has been increasing rapidly due to the enormous activity of civil engineering works and other industries stimulated by financial support from Japan. As a result, many cement factories have been established, and their aggregate capacity have been expanding to a point of making the new State self-sufficient in cement.

Table 13. DEMAND AND SUPPLY OF CEMENT

(In metric tons)

	Output	Import	Export	Demand
1924	103,400	28,400	28,600	96,000
1925	—	26,000	48,600	71,300
1926	—	49,600	64,600	97,000

(Continued)	Output	Import	Export	Demand
1927	111,900	69,200	32,900	135,000
1928	151,400	41,900	68,800	129,000
1929	205,700	46,000	80,400	166,000
1930	194,500	46,800	106,100	138,200
1931	162,000	38,900	83,500	109,400
1932	108,800	33,600	35,100	117,900
1933	184,900	155,400	18,400	323,200
1934	232,600	305,400	8,100	527,600
1935	378,000	155,200	11,900	516,500
1936	580,000	167,400	95,100	624,700
1937	800,000	49,598	28,843	820,755
1938	—	176,287	13,399	—
1939	—	452,904	439	—

Table 14. CEMENT MANUFACTURING COS. IN MANCHURIA

(1939)

	Capital (M¥1,000)		Annual Capacity (M. tons)	Affiliation of:
	Authorized	Paid-up		
Dairen factory	500	500	250,000	Onoda
Anshan factory	250	250	200,000	,,
Manchuria Cement Co.:				
Liaoyang factory	2,500	2,500	240,000	Chengteh Assn.
Wenchun factory	—	—	150,000	,,
Fushun Cement Co.:				
Fushun factory	2,500	2,500	300,000	S.M.R. Co.
Tatung Cement Co.:				
Kirin factory	3,000	3,000	280,000	Asano
Chinsi factory	—	—	120,000	,,
Penhsihu Cement Co.:				
Penhsihu factory	3,000	3,000	350,000	Okura
Onoda Cement Co. of Manchou:				
Chuantou factory	5,000	2,500	160,000	Onoda
Harbin Cement Co.:				
Harbin factory	1,000	1,000	73,000	Mitsui
Mutankiang factory	—	—	150,000	,,
Total	17,750	15,250	2,123,000	

By the end of 1941, according to plans decided upon in 1940, the cement output in Manchoukuo is expected to be doubled. Among the projects for increasing production capacity for 1940 includes the enlargement of the Fushun cement works and another at Penhsihu. Besides, the Antung cement factory is expected to complete its first stage expansion program by December, 1940, with the re-installation of cement-making machines removed from Gifu, Japan. By April, 1941, the Tatung Cement Company, located at West Mukden, and the Antung factory will complete their second stage expansion programs. By August 1941, the Miyanohara plant of the Penhsihu Cement Co., the Onoda Cement Co. plant at Hsiaotuntzu (Kwantung Territory), and the Mutankiang plant of the Harbin Cement Co. are expected to be completed.

In the meantime, the cement-making machinery of the Asahi Cement Co. at Amakusa (Kumamoto prefecture, Japan) will be installed at Miaoling, Chientao Province by the East Manchuria Cement Co. and will be powered with the 60 kilowatt generator recently purchased from the Kyoto Electric Company, the installation of which was expected to be completed by December, 1940.

Manchuria Federated Cement Co. Formerly, the cement market in Manchuria was regulated by a self-control agreement among the members of the Manchuria Cement Manufacturers' Association, but in consequence of the changes that occurred in the market situation following the launching of the five-year industrial development plan, coupled with strained international conditions, an exercise of State control over the cement market came to be desired. Accordingly, in September, 1938 a semi-special corporation known as the Manchuria Federated Cement Company was established at Hsinking. The Company is capitalized at 1,300,000 yuan of which 325,000 yuan is paid up. The principal investors are: The Japan-Manchoukuo Trading Corporation, Mitsui & Company, the Mitsubishi Trading Company, the Okura Trading Company, the Asano Portland Cement Company, Fukusho & Company, the Harbin Cement Company, the Kwantung Territory Onoda Cement Mfg. Company, the Manchuria Onodo Cement Mfg. Company, the Fushun Cement Company, the Ta Tung Cement Company, the Penhsihu Cement Company, and the Manchuria Cement Company.

While endeavoring to adjust the domestic demand and supply of cement, the Company sets a standard price. Acting as liaison establishment between manufacturers and consumers, the Company is also intent upon stabilizing the cement market.

Synthetic Rubber

Synthetic rubber production in Manchoukuo is expected to get under way in 1941 with the establishment of a plant at Kirin, utilizing hydro-electric power from the Sungari power station. The firm which is known as the Manchuria Synthetic Rubber Company expects at first to produce 50 tons daily, but will later increase output to meet the rise in the demand for synthetic rubber.

Match

The match industry in Manchuria was started in 1906. During the World War match factories were established in such places as Dairen, Antung, Kirin, Mukden, Yingkow, etc. In 1925 the Swedish match interests began to exert a dominant influence over the match market in Manchuria. Many of the match companies that had existed were brought under the control of the Swedish interests. In 1931 the Chinese authorities instituted the match monopoly system and charged the Sino-Japanese Match Association with the working of the system. After the Manchuria incident, the Swedish interests applied for permission to join the association. Thereupon a match association was formed anew embracing all the enterpreneurs concerned in Manchoukuo and simultaneously public markets were established as a marketing organ. The whole amount of the capital involved was taken up by the Japanese interests.

In July, 1932 after the establishment of Manchoukuo the public markets were brought under the direct control of the Department of Finance of the new Government. The Swedish interests disposed of all their share-holdings and withdrew from the market. Match production in 1937 amounted to 327,828 boxes. Production capacity for 1939 is given at roughly 960,000 boxes. Imports amounted to 1,218,000 kilograms valued at ¥468,000 in 1938.

Table 21. MATCH MANUFACTURING COMPANIES IN MANCHURIA
(1939)

	Management	Locality	Capital	Annual capacity (Boxes containing 2,400 pocket boxes)
Kirin Match Co.	(Japanese)	Kirin	¥ 750,000	64,000
Chinhua „ „	(Manchou)	„	160,000	51,000
Chungchih Match Co. ..	(„)	„	160,000	42,400
Taifeng „ „ ..	(„)	„	100,000	21,000
Nisshin „ „ ..	(Japanese)	Hsinking .	300,000	51,000
Changchun „ „ ..	(„)	„ .	116,800	51,000
Paoshan „ „ ..	(„)	„ .	115,000	51,000
Huilin „ „ ..	(Manchou)	Mukden ..	206,000	114,000
Tanhua „ „ ..	(„)	Antung ..	1,200,000	64,800
Sanming „ „ ..	(„)	Yingkow .	150,000	108,000
Shengsheng „ „ ..	(„)	„ .	100,000	90,000
Kwantung „ „ ..	(„)	„ .	100,000	63,000
Luchang „ „ ..	(„)	Tsitsihar .	100,000	60,000
Chenhsing „ „ ..	(„)	Hulan	300,000	30,000
Changheng „ „ ..	(„)	Tunghua ..	200,000	19,500
Minyuang „ „ ..	(„)	Ashiho ...	—	69,000
Dairen „ „ ..	(„)	Dairen ...	500,000	51,847
Total 17 Cos.			4,571,000	959,947

Soda Ash

The salt fields in Kwantung Province cover an extensive area of 18,000,000 tsubo and have an annual productive capacity of about 500,000 koku. Not only is it very easy to increase output but production cost is very moderate. Further, there is an ample supply of lime, sulphate of ammonia and fuel. Thus, the country is favoured with every condition necessary for the soda industry. With the laying of the solid foundation of the salt industry in May, 1936 there was brought into being a Manchuria Soda Company under Government supervision in Kanchengtzu, Dairen. Annual capacity of the Company is 36,000 metric tons. Production in 1933 was estimated at 30,000 metric tons. A half of the capacity is intended to meet requirements in all Manchuria and the other half those in Japan and South China. The capital is ¥8,000,000, two thirds of which is paid up. Of that amount of the authorized capital, 25% each is put up by the South Manchuria Railway Company, and the Manshu Chemical Industrial Company, 35% by the Asahi Glass Company and 10% by the Shoko Glass Company.

Imports. Imports of soda ash in 1939 amounted to 96 metric tons valued at ¥19,000.

Caustic Soda

Following the development of the pulp and coloured pulp industry in Manchoukuo, the demand for caustic soda has increased. The total amount of this material required for 1939 was 8,000 tons, while that for 1940 is expected to be more than 10,000 tons. Aiming at self-sufficiency in caustic soda, supply of which was formerly solely dependent upon import from Japan the Manchuria Soda Company will try to cover the greater part of the demand for caustic soda in 1940, with products from its own plants which are under construction at Dairen, Mukden and Kaiyuan. The plants, which will commence operations by the end of 1939, will give an annual output of 3,000 tons of caustic soda at Dairen, 2,000 tons at Mukden and 4,500 tons at Kaiyuan.

In addition to these plants, the Manchuria Soda Company will establish another plant at Tumen in 1940. On completion of this plant, which will yield an annual output of 2,600 tons, the demand of caustic soda in Manchoukuo, which will be considerably increased as the pulp industry develops, should mostly be covered by products from the Manchuria Soda Company.

Gunpowder and Other Explosives

Gunpowder, ammunition and arms are manufactured by the Mukden Arsenal. Explosives for the use of mining and engineering are made by the Manchuria Mining Drugs Company, which was opened in 1919. By way of pursuing the policy of bringing under government control the manufacture and sale of gunpowder, which has an important bearing upon the preservation of peace in the country, the Civil Affairs Department of Manchoukuo has established a special concern by merging all the powder manufacturing companies throughout the country. The new company is known as the Manchurian Gunpowder Marketing Company, Limited, and under the direct supervision of the minister of civil affairs. It is capitalized at 500,000 yuan, of which 250,000 yuan is taken up by the Manchoukuo Government and the remaining half by the South Manchuria Railway Company, the Mukden Arsenal, the Penhsihu Iron Manufacturing Company, Showa Steel Works, and Manchuria Colliery Co.

Glass

The glass industry in Manchuria suddenly sprang up on the stoppage of the imports of European goods during the World War. Since the founding of Manchoukuo the demand for glass has increased considerably. Production of glasswares has expanded from ¥554,000 in 1932 to ¥1,500,000 in 1935.

The glass market in Manchoukuo is practically monopolized by the Mitsubishi concern through the Shoko Glass Company capitalized at ¥3,000,000 at Dairen and the Manchuria Shoko Glass Company, capitalized to the same amount, at Mukden. Both of these establishments are subsidiaries of the Asahi Glass Company, the largest of its kind in Japan. Production of the Shoko Glass Company in 1935 was valued at ¥3,000,000 consisting of 600,000 cases of sheet glass.

Table 16. SHEET GLASS MANUFACTURING COMPANIES

(End of Sept., 1939)

	Established	Head office	Capital (M¥1,000)	Affiliation	Capacity per year (Box in 100 sq. feet)
Shoko Glass Co., Ltd. ..	1925	Tokyo	3,000	Asahi Glass Co. .. 60% S.M.R. Co. 40%	1,200,000
Manshu Shoko Glass Co., Ltd.	1937	Mukden	3,000	Shoko Glass Co.	800,000

Bricks

The manufacture of bricks in Manchuria is very old in origin. The relics of ancient times, which are sometimes found, prove of fine quality. Black bricks, which are used at present, are of very inferior quality. They are produced chiefly in Mukden, Hsinking, Tsitshar, Taonan, etc. Those which are generally known as red bricks are manufactured at factories of a considerable size. It was over a quarter of a century ago that the manufacture of this kind of bricks was started in Manchuria. With the increase in the demand for machine-made red bricks, and the accompanying growth of new enterprises, the industry has of late appreciably developed.

The demand for bricks throughout Manchoukuo in 1935 totalled 150,000,000 pieces in Mukden and 500-600,000,000 in Hsinking, Dairen and Harbin and other towns combined.

There are about 60 Japanese and Manchoukuoan bricks works. Fireproof bricks are manufactured exclusively by the Dairen Ceramic Company, the Higashigaoka Factory of the Fushun Ceramic Company, the Showa Steel Works, the brick factory of the Penhsihu Iron Works, etc. The capacity of all those brick works was 40,000 metric tons in 1933 and 70,000 tons in 1935.

Exports. Manchoukuo's exports of brick and tiles amounted in 1938 to 29,000 metric tons valued at ¥1,036,000.

Earthen Ware and Porcelain. The production in Manchoukuo is still comparatively small. The major portion of the demand which is increasing rapidly, is supplied by imports from China and Japan. Since very early days, water jars and other primitive potteries have been manufactured in such places as Mukden, Fushun, Hsinking and Penhsihu.

There are several pottery and porcelain companies in Manchuria. The largest of them is the Tahoa Pottery and Porcelain Company, which was formerly a laboratory of the South Manchuria Railway Company. It was in October, 1920 that it was separated from the South Manchuria Railway Company and reorganized as an independent concern under the present title in Dairen. It was also the first company of the kind established in Manchuria. Capitalized at ¥155,000, the Company turns out kitchen utensils for the Manchoukuoans and also insulators. The annual productive capacity is 4,500,000 pieces, valued at ¥220,000. All the rest are small concerns. Principal ones are as follows:—

Huitung Ceramics Co. (Capacity, 2,800,000 pieces, value ¥100,000); Adachi Ceramics Works (Capacity 3,600,000 pieces, value ¥140,000); Tung Sheng Ceramics Works (Capacity 4,000,000 pieces, value ¥160,000); Liaotung Ceramics Works (Capacity 2,800,000 pieces, value ¥90,000).

Imports. The import of potteries and glassware for electrical or industrial uses amounted to 8,227,000 kilograms value ¥2,197,000 in 1938.

MACHINERY AND ENGINEERING

Metals

Metallic Magnesia. There are inexhaustible resources of magnesite in the neighbourhood of Tashichiao. The industries for its utilization have, therefore, a very bright future. At present there are three branches of this industry, viz., (1) Manufacture of fire-proof things, (2) manufacture of building materials and (3) manufacture of metallic magnesia. The first two are undertaken by the South Manchuria Mining Company, which was established in 1918 with a capital of ¥600,000. The last, or the manufacture of metallic magnesia is carried on by the Japan-Manchoukuo Magnesium Company, which was jointly established in 1919 by the South Manchuria Railway Company, the Sumitomo interests and the Rikagaku Kenkyusho (Physico-Chemical Institute) and other organizations. It is capitalized at ¥7,000,000, of which ¥3,500,000 was paid-up in 1937. The newly founded company, whose plant with an annual productive capacity of 350 metric tons is situated at Ube City, Yamaguchi Prefecture, intends to be a large factor in supplying metallic magnesia to Japan by acquiring raw materials from Manchoukuo. As the first step towards that end, the Naoetsu plant of the Rikagaku Kenkyusho with an annual productive capacity of 150 metric tons was purchased by the Company.

Aluminium. Aluminium manufacturing in Manchoukuo holds out bright prospects. Raw materials for the manufacture of aluminium, particularly alumina shale, have been found in fairly large quantities at Fuchow, Yentai, Chinchou, Penhsihu and in other districts.

There are two aluminium companies in Manchoukuo. One of them is the Japan-Manchoukuo Aluminium Company, which was established in October, 1933 with a capital of ¥10,000,000 of which ¥7,500,000 was paid-up in 1937. The other is the Manchuria Light Metal Manufacturing Company, which was established in Nov., 1936. It is capitalized at M¥25,000,000, of which ¥6,250,000 was paid-up in 1937. M¥10,000,000 is taken up by the Manchoukuo Government M¥14,000,000 by the South Manchuria Railway Company and M¥500,000 by the Sumitomo Company and M¥40,000 by the Japan Electric Industry Company and M¥50,000 each by the Japan Soda Manufacturing Company and the Japan-Manchoukuo Aluminium Company. The new company is established at Fushun.

About 60 per cent of the production cost will be spent for electric power, which will be supplied by the projected national hydraulic electric power station, to be established on the upper reaches of the Second Sungari. The Government is planning to erect a second aluminium manufacturing plant in Kirin.

As bauxite, raw material of aluminium, is mined near Yentai, alumina will be produced at the Fushun factory, which will be sent to Kirin, where aluminium will be produced at the projected plant. It is estimated that 2 tons of alumina will be produced from 8 tons of bauxite and 1 ton of aluminium from 2 tons of alumina.

Machinery and Tools Industry

With the launching of the industrial programmes in Manchoukuo there has been a growing demand for machine tools. Several companies are under consideration to be established in the country, while those already organized are operating at full capacity. It seems, however, that for many years to come the country must rely on foreign imports of machine tools to meet the heavy domestic demand. The largest suppliers of machine tools have been the United States and Germany.

Among the large purchasers of machine tools are the South Manchuria Railway Company and the Showa Steel Works. The South Manchuria Railway Company imports yearly a large amount of heavy machine tools such as big lathes, drilling machines, hydraulic hammers and presses for keeping in repair its rolling stock and other equipment. The soya bean oil industry also is requiring amounts of fabricating machinery for converting steel plate into storage tanks. The chemical and mining industry will not only require ore and more tools and machinery for direct working of those industries, but also more tools and machinery for the repairs and upkeep of the chemical and mining machinery.

The Showa Steel Works has a four year production plan whereby present output of pig iron will be considerably increased. Since pig iron is a good barometer of industrial affairs of a country the implication is that Manchoukuo will need increasing quantities of machine tools and machinery for working up into fabricated products in metal raw materials.

Imports from the United States of plain steel and metal materials are increasing and this implies imports of larger quantities of machinery to work into shapes. The Manchurians generally are

acquiring the industrial attributes of modern civilization rapidly. At first using chiefly light steel for roofs and sidings of houses, they are rapidly using more forms of heavy steel, such as structurals, for modern hospitals and office buildings. The increase use of heavy steel implies a greater use of heavy machinery for manufacture into articles of usefulness.

The building of good roads are under way and their expansion will take large quantities of road building machinery. More and more machines will be needed at the port of Dairen for unloading ships and for keeping ships in repair.

Imports of various machineries, tools and vehicles are show in the following table:

Table 35. IMPORTS OF MACHINERY AND TOOLS, VEHICLES AND VESSELS

(In M¥1,000)

	1933	1934	1935	1936	1937	1938	1939
Machinery & Tools:							
Agricultural Machinery, Tools and Implements, and parts thereof ..	122	158	606	987	2,306	3,939	9,136
Motors, Dynamos or Generators	590	2,584	1,621	2,702	3,347	7,960	17,270
Transformers	259	1,049	1,038	1,587	2,444	4,807	6,969
Electric Fixture & Fitting, pumps, and parts thereof	581	961	860	1,261	2,310	8,370	14,345
Machines, Sewing, Knitting, and Embroidering, and parts thereof	395	419	1,121	629	981	930	1,215
Machinery, Textile and parts thereof	270	518	1,549	809	1,073	—	—
Office or Sales Machines, and parts thereof	300	261	349	560	1,489	—	—
Prime Movers, and parts thereof	904	1,928	2,002	2,623	4,746	*185	*39
Hand Tools	801	1,672	1,901	2,185	3,232	5,563	13,762
Vehicles & Vessels:							
Aeroplanes, Hydroplanes, and all other Flying Machines, and parts thereof	1,882	728	1,373	881	1,682	—	—
Railway or Tramway Materials	6,381	8,678	12,978	12,668	11,282	74,594	127,812
Railway and Tramway Carriages or Wagons	1,814	3,088	1,068	1,237	972		
Locomotives and Tenders	2,110	7,684	11,429	11,839	11,079		
Vehicles, and parts thereof	128	299	1,021	680	1,618	—	
Motor Trucks and Buses (incl. Chassis)	4,316	3,030	3,048	3,722	6,494	—	
Other Cars (incl. Chassis)	2,435	3,278	2,648	2,748	3,943	—	
Parts of Motor-Cars and Motor Tractors (excl. of Tyres and Tubes) ..	1,557	1,865	2,645	3,099	6,242	—	
Bicycles	104	151	181	166	144	596	1,181

(Continued)

	1933	1934	1935	1936	1937	1938	1939
Bicycles parts and accessories	994	1,356	2,895	2,018	2,309	5,288	7,158
Motor-cycles	93	98	149	113	160	—	—
Total incl. others	321,243	59,002	74,457	78,468	112,307	241,158	395,205

Note: * Exclusive of internal combustion and steam engines.

The South Manchuria Railway Works. The South Manchuria Railway Works which has for its object the manufacturing, assembling and repairing of vehicles, was established in Shakako in 1908 and opened to business in 1911. The works, which cover an area of 600,000 tsubo, are provided with water works of their own and consists of 70 blocks with an area of 19,000 tsubo. They have a capacity of accommodating 27 locomotives, 36 coaches, and 130 goods cars at the same time.

The Dairen Machinery Works. The Dairen Machinery Works was established in 1918 with a capital of ¥2,000,000 with the object of executing orders placed with the South Manchuria Railway Company. The company has since so much developed that its capacity is now about ten times the scope at the time of the establishment. The list of its specialities consist of rolling stocks, iron bridges, machinery, pipes for the use of water works, bean-oil manufacturing machines, rollers for road construction and improvement, machines for generating oxygen gas, electric cars, the bodies of automobiles, etc. The market for these articles is so extensive that the Company figures prominently among the Japanese enterprises in Manchuria. The capital of the company in 1938 amounted to ¥10,000,000 of which ¥8,000,000 was paid up.

Mukden Arsenal. The Mukden Arsenal was established in 1932 with a capital of ¥2,000,000 in the form of a joint-stock corporate. The capital was taken up by the Mitsui Bussan Kaisha and the Okura Shoji Kaisha. It is engaged in the manufacture of arms and ammunitions, gunpowder and its materials, and the manufacture and repair of various machines and tools. The total capital (fully paid up) amounted to ¥4,600,000 at the end of 1939.

Anshan Steel Material Company. It was for the purpose of meeting a swift increase in the demand for rails in Manchuria that the Anshan Steel Material Company was brought into being in July, 1932 by men interested in the Nippon Rail Company. It was organized with a capital of ¥5,000,000, of which ¥3,000,000 is paid up. Furnished by the Showa Steel Works with steel ingots and slabs, the Company is engaged in the manufacture of trucks for light railways to the estimated amount of 3,000 metric tons.

The Manchu Manufactory. The Manchou Manufactory was established in 1934 with a capital of ¥1,500,000 (fully paid up) by purchasing the former Tafeng Iron Works at Mukden. It has for its object the manufacture of casting in general vehicles and machinery and tools. It is expected to show developments in the circles of the iron industry of Manchuria by meeting the requirements for rolling stocks and machines and tools for water works and gas heaters. The capital of the Co. in 1938 was ¥20,000,000 of which ¥8,600,000 is paid up.

The Manchu Sumitomo Steel Pipe Company. The Company was established in September, 1934 with a capital of ¥10,000,000 fully paid up. With its plant set up within the compound of the Showa Steel Works, the Company intends to manufacture high grades of steel pipes with materials supplied by the Showa Steel Works.

Motor Car Industry

For several years past projects were launched for the establishment of a motor car industry in Manchuria, but the actual stage of production had not yet been reached in 1940. Whatever progress that had been witnessed was centered in the assembling of automobiles from imported parts by the Dowa Automobile Company which was established in March, 1933 with a capitalization of ¥6,200,000, invested in by the Manchoukuo government, the South Manchuria Railway Company and by the leading motor car manufacturers in Japan. In the spring of 1939 this company was merged into the newly established Manchuria Automobile Company, capitalized at ¥100,000,000 fully subscribed by the Manchuria Industrial Development Corporation. The new company will virtually monopolize the motor car industry in Manchuria, and a large plant will be erected at Antung. Mr. Soji Yamamoto, president of newly-formed Manchuria Automobile Manufacturing Company, was for many years identified with the Nissan Motor Car Company, of Japan, manufacturers of Nissan passenger cars and trucks and the light passenger cars and vans known as Datsun and "Nissan." According to Mr. Yamamoto the new auto plant under consideration will give employment to 100,000 workers, many of whom will be recruited from Japan.

Aircraft Industry

The first steps towards the establishment of an aircraft industry in Manchoukuo were taken on June 18, 1938 by the formation of the Manchuria Aircraft Manufacturing Company, capitalized at M¥20,000,000 invested in entirely by the Manchuria Industrial Development Corporation. The company, which is a special corporation registered with the Manchoukuo Government, comprises a motor manufacturing and body manufacturing departments. The existing Manchuria Air Transport Company's own plant was merged to create the motor department, and a body building factory will be established on an area of 150,000 to 200,000 tsubo near Huangkutun in Fengtien Province.

Shipbuilding

The shipbuilding industry, still in an infant stage of development, is centered at Dairen. Two 3,000 ton freighters were expected to be completed in 1940 at the Dairen Dockyards to the order of the Dairen Kisen Kaisha. It is the first time that vessels of this size is under construction in Manchuria.

Munitions

There are eight plants in Manchuria connected with the manufacture of various munitions. With the object of preventing the leakage of military secrets the Government of Manchoukuo promulgated in 1939 a series of regulations to govern the newly-created Munitions Supervision Commission. The eight companies designated as munitions plants by the Government are the following: the Mukden Arsenal, the Manchuria Aircraft Manufacturing Company, the Dowa Motorcar Manufacturing Company, the Manchuria Machine and Implements Company, the Manchuria Arsenals, the Manchou-Mongol Woollen Manufacturing Company, the Showa Steel Works and the Penhsihu Iron Collieries.

Establishment of a large powder manufacturing company was decided upon in the spring of 1940 by the Mukden Military Arsenal and the Manchuria Industrial Development Corporation. The projected firm will be named the Manchuria Powder Manufacturing Company, and will be capitalized at 20 million yuan. It will be formed as a special corporation under Manchoukuo Company law. The investment will be shared by the following interests: 60 per cent by the Mukden Military Arsenal (Hoten Zohei Sho), and 20 per cent each by the Manchuria Industrial Development Corporation and the Manchuria Mining Development Company.

The rapid progress of the Five Year Industrial Plan requires huge quantities of powder, especially for mining development. Powder is chiefly manufactured at the Fushun Powder Plant and the Mukden Military Arsenal which are working at full capacity, but the output falls far short of meeting the demand. The projected firm is expected to take over the powder plants at Mukden, Antung, Fushin and Liaoyang, all belonging to the Mukden Military Arsenal and it will also undertake to manufacture explosives on a large scale under an up-to-date system.

The Manchuria Powder Sales Company, capitalized at 500,000 yuan will be also incorporated with the Manchuria Powder Mfg. Co. Thus the latter firm will also come to have control over the import and sales of explosives in Manchoukuo.

Hide and Leather Industry

This line of industry has not yet made noticeable developments in Manchuria. Cow hides are not only inferior in quality but quite limited in production. The only sign of activity shown by this industry is that about 200,000 pieces of horse hide are yearly exported to Japan. These is only one company of considerable size manufacturing hides and leather, namely, the Japanese-Manchu Hide and Leather Industrial Company. It is capitalized at ¥3,000,000 one-fourth of which is paid-up.

Imports of hides and skins in 1938 amounted to 1,577,000 kilograms valued at ¥1,834,000. Exports of hides and leather amounted to 737,883 kilograms valued at ¥1,208,000 in the same year.

Table 37. EXPORT OF HIDE, LEATHER AND SKINS

(Quantity in 1,000 pieces, Value in ¥1,000)

	Hide & Leather						Skins dressed or undressed			
	Cow		Ass, Horse, Mule		Dog		Fox		Sheep & Goat	
	(m. tons)	Value	(m. tons)	Value	Qty.	Val.	Qty.	Val.	Qty.	Val.
1933	264	155	1,180	1 026	566	677	15	122	121	95
1934	110	61	876	701	65	92	14	149	138	98
1935	37	22	1,122	877	155	643	7	49	361	260
1936	65	42	830	607	347	1,074	11	122	620	351
1937	51	27	840	631	309	928	9	169	357	334
1938	15	17	701	1,146	59	398	3	63	514	1,151
1939	0	0	2.5	5.8	0.8	6.2	0	0	20	37

(Continued)

	Lamb & kid		Kolinsky		Marmot		Racoon		Squirrel		Total incl. others
	Qty.	Val.	Qty.	Val.	Qty.	Val.	Qty.	Val.	Qty.	Val.	Value
1933	50	45	280	419	46	33	6	35	132	94	3,157
1934	46	28	500	679	199	153	12	76	185	86	2,687
1935	106	98	943	474	170	183	10	94	121	90	4,134
1936	301	155	467	1,771	56	98	12	289	56	55	5,785
1937	205	113	213	1,301	69	168	9	134	51	29	5,368
1938	121	129	347	2,296	28	106	12	134	—	—	6,206
1939	3.2	18.1	397	2,693	58	28	3.1	35.1	—	—	3,471

Tobacco

In its early stages of development the tobacco industry in Manchuria was dominated by Russian and British capital, the Russian interests being represented by I. I. Tschurin & Company and A. Lopato Sons Limited, and the British interests by the British-American Tobacco Company. Since the establishment of Manchoukuo the Japanese-owned Toa Tobacco Company has increased its influence in the country.

The demand for tobacco is yearly expanding and is now represented by over 20,000 million sticks annually. In 1939 production was 20,700 million sticks and was manufactured by companies as follows:

CIGARETTE PRODUCTION BY COMPANIES
(1939)

Companies	Million sticks
Toa Tobacco	7,000
Manshu Tobacco	3,000
Chi Tung Tobacco	5,000
A. Lopato Sons	3,000
Taiyo Tobacco	1,500
San Tai Chan	1,200
Total	20,700

Table 36. IMPORT OF TOBACCO CLASSIFIED

	Cigarettes		Cigars		Leaf tobacco		Prepared tobacco		Total value incl. others
	Pieces (1,000)	M¥ (1,000)	Pieces (1,000)	M¥ (1,000)	(m. tons)	M¥ (1,000)	(m. tons)	M¥ (1,00)	M¥ (1,000)
1933	591,343	1,734	382	31	15,396	9,503	34	31	11,476
1934	843,364	2,679	968	72	17,200	8,558	152	119	11,664
1935	598,473	1,934	372	41	9,700	6,067	119	87	8,327
1936	360,985	1,202	197	24	15,180	8,848	116	84	10,585
1937	456,027	1,419	200	26	12,880	7,597	74	50	9,617
1938	720,678	1,247	55	2	12,378	7,739	4,039*	418	9,427
1939	386,552	870	124	6	9,875	8,085	2,709*	159	9,130

Note: * Inclusive of stalk and dust.

With a view to assisting in the foreign trade balance of Manchoukuo, the imports of tobacco from countries outside of the yen bloc have been restricted since 1938. Most of the imports are now obtained from North China.

Principal tobacco companies in Manchuria are the following:

I. I. Tschurin & Co. This company was originally started as a petty firm in Nikolsk in 1867. It steadily developed with years. Since the Russian Revolution, Harbin has been the centre of the activity of the Company. There were days when it exerted so much influence as to mar the invasion of the Anglo-American Trust and the Toa Tobacco Company.

Chi Tung Tobacco Co. Ltd. The Chi Tung Tobacco Co., Ltd. is a Manchoukuo corporation organised under Manchoukuo Laws and capitalized at 52,325,000 yuan. This company is a subsidiary of the British-American Tobacco Company (China) Ltd., whose headquarters are located in Hongkong. The head office of the Chi

Tung Tobacco Co. Ltd., as well as its factory, are located in Mukden. It has another factory in Yingkow, completed in 1939 and now in operation.

A. Lopato Sons, Ltd. The company is a Manchoukuo corporation with a capital of 3,500,000 yuan. It is a subsidiary of a British Company of the same name located in Hongkong, which company in 1913-1914 purchased the business formerly under Russian management. The capital of A. Lopato Sons, Ltd., in April 1914 was 150,000 roubles and it was increased in December 1919 to 1,000,000 roubles. The company was reorganised in July, 1936, since when the present status has been maintained.

Toa Tobacco Company. The Company is capitalized at ¥30,000,000 (16,125,000 paid up). With its head office in Tokyo, the Company has factories in Mukden, Dairen, Yingkow and Tientsin, Taiyuan and Shanghai.

Manchu Tobacco Company. The Company was founded in Tokyo in January, 1925. It is capitalized at ¥12,000,000, of which ¥7,920,000 is paid-up. The total annual capacity of its two factories at Hsinking and Harbin combined is 4,500 million cigarettes in 1940.

In the first year of the five-year plan, or in 1937, leaf tobacco production amounted to 3,192 metric tons from a crop area of 2,390 chobu, showing an increase of 222 tons with 140 chobu as against the plan. Under the revised five-year plan, tobacco production in 1938 was to be increased to 5,550 tons on an area of some 4,500 chobu. Government appropriations for tobacco production in 1938 was ¥2,500,000 as compared with ¥800,000 in 1937.

CHAPTER XXI

ELECTRIC AND GAS INDUSTRIES

The present capacity for the generation of electric power in Manchuria is estimated at roughly 550,000 K.W., derived mostly from thermal power plants. With the completion of the Five Year Plan in 1941 generation facilities are expected to rise steeply to 2,600,000 K.W.

The Manchoukuo Government, believing that the great water system such as the Sungari, Liao, Yalu and Tumen Rivers, which rise in the Long White Mountain and the Great and Little Hsingan Mountains, are capable of utilization for the generation of an enormous volume of power, started surveys in 1934 with a view to supplying the country with abundant power at low prices on a permanent basis. The Sungari River No. 2, the Taitzeho systems, the Hunkiang system and the Mutankiang system were investigated first and then surveys were conducted at other rivers. The rivers investigated were found to possess even greater potentialities for power generation than anticipated. As many as fifty points in the new Empire are now considered suitable for the operation of hydro-power plants with a maximum capacity of more than 6,000,000 kilowatts and an average output of 3,250,000 kilowatts. With rivers remaining to be investigated taken into consideration, it is believed that the hydro-power resources of the country are enormous.

Table 1. ELECTRIC POWER GENERATION POTENTIALITIES OF PRINCIPAL RIVER SYSTEMS

	Output	
	Average (kilowatts)	Maximum (kilowatts)
Sungari River No. 2	850,000	1,780,000
Yalu River (including Hunkiang)	1,133,000	1,913,000
Mutankiang (including Pilteng Lake)	383,000	686,000
Luan River	393,000	772,000
Tumen River	71,000	141,000
Nonni River	209,000	335,000
Huma River	100,000	200,000
Liao River	36,000	60,000

The management of the electric industry is in entirety under the control of the semi-official Manchuria Electric Company which is capitalized at 320,000,000 yuan and charged with the operation of coal power plants and the transmission of electricity. Exceptions are the hydro-power plants on the Second Sungari and the Yalu Rivers and on Lake Pilteng, which are either directly supervised by the government or with other interests.

Historical

Dating back fifteen years behind that of Japan, the history of electric enterprises in Manchuria begins in October 1902, when Czarist Russia, having commenced the construction of the city and the harbour of Dairen for the purpose of developing it into a base of commercial activities in the Far East, established a power plant on Hama-cho, the first ever to be built in Manchuria. The plant was, however, constructed on a small scale, generating merely 260 kilowatts and supplying electricity to 30,000 lamps.

Along with other industries in Manchuria, the number of electric enterprises, which have shown remarkable development, has greatly increased during the past three and half decades. The degree of their development may be divided into the following three states: 1st stage, After the Russo-Japanese War up to 1911; 2nd stage, 1912 to 1930; 3rd stage, 1931 to the present.

First stage. When the South Manchuria Railway Company was established in April 1907 with the important mission of developing Manchuria, the Company immediately undertook both to expand the electrical equipment together with other attached enterprises along the S.M.R. line, and to build new ones. First of all, in November of the same year, it enlarged the Dairen power-plant, following which it established new plants in Fushun and Mukden in 1908, in Changchun (now Hsinking) in 1910, and in Antung in 1911, and began supplying electricity to the public.

At Port Arthur (Ryojun) there was electrical equipment (used by the Russians for charging barbed wire entanglements and other defensive measures) generating 120 kilowatts. When Japanese troops occupied Port Arthur in 1905, this equipment was repaired, and light was supplied both to government offices and to the general public. Later, when with the development of the city, the supply became short, the Kwantung Government established a new generating station of 500 kilowatts, and commenced its operation in 1907. New plants were also built in Chinchou, Pitzuwo and Pulantien.

The development of Japanese electric enterprises along the S.M.R. line and in the Kwantung Leased Territory provided great impetus for the establishment of Manchurian electric enterprises; new companies were founded in Harbin (1905), Manchouli (1906), Kirin (1907), Mukden (1909), and in Changchun (1911). Thus by 1911 almost all the principal cities of Manchuria were supplied with electricity.

Second Stage. Beginning about 1912, many of the existing Japanese plants were enlarged and, owing to the distribution of light to towns and villages located between the principal cities and to a general increase in the demand for electricity, new stations were established. Furthermore, along with the improvement of business in Manchuria due to the outbreak of the World War in 1914, electric enterprises continued to show favourable development. Marking the beginning of the so-called "long-distance current supply period," the South Manchuria Electric Company was established in June 1926, and all the electric enterprises along the S.M.R. line were brought under its management.

The favourable development of the Japanese enterprises gave further stimulus to the establishment of many small Manchurian electric companies in various parts of the country. The latter, however, with the exception of two or three, showed poor business results because of the shortage of funds, the lack of technical skill and knowledge, and extortions by both militarist and Government officials. About this time the movement for the recovery of rights and interests acquired by foreigners in China, which had spread into Manchuria from China Proper, gained momentum and severe pressure was brought to bear upon the Japanese electric enterprises, in full disregard of the weak economic power of Manchuria and of the nature of public utilities.

The Japanese electric enterprises were refused the right to supply light and power to Manchurian territory. Being compelled to confine their business to the narrow strip of land along the S.M.R. line wherein the demand for electricity had almost reached a saturation point, the future of Japanese enterprises looked none too bright.

Third Stage. However, with the birth in the wake of the Manchurian Incident of the new State of Manchoukuo in 1932, the situation changed completely, and the electric industry began to see the light of future development. Fully realizing the basic importance of electric enterprises in the development of industries in the new Empire, the Manchoukuo Government, in an announcement made both at home and abroad in March 1933 on its fundamental policy for the economic reconstruction of Manchoukuo, declared that electric enterprises will be placed under controlled management and power will be supplied abundantly and cheaply.

Thus the political impediment to the development of Japanese enterprises was removed and, with the growing desire of the Manchoukuo Government for Japanese support in management and technical skill, an opportunity matured both for the expansion of existing enterprises and for the establishment of new ones. A proposal to merge all the electric enterprises in Manchuria was brought up by the Japanese and Manchurians concerned, and finally culminated in the establishment in November 1934 of the Manchuria Electric Company, capitalized then at ¥90,000,000, under joint Japanese-Manchoukuo investment. The greatest institution to come under the new scheme was the South Manchuria Electric Company, a subsidiary of the South Manchuria Railway Company, which since the merger has come to be known as the Dairen branch of the Manchuria Electric Company. The new Company aims to effect a complete control and a unification of the electric industry in the country.

Distribution of Electricity in Manchuria

Despite the rapid development of electric enterprises in Manchuria in recent years, electricity for lighting is still used only by a small portion of the population. Practically all the peasants, who comprise the greater part of the population, are without electric light. According to an investigation made by the Manchuria Electric Company, the total number of lamps installed as in December 1939 numbered 3,698,000 or 9.3 lamps per hundred population (39,454,000), while electric power including electric heat sold under contracts base during the 2nd half of 1939 amounted to 412,941 kilowatts, showing a remarkable advance of 28% in number of lamps and 35% in electric power. If further compared with the result of the corresponding period of 1937, it shows an advance of 55% and 54% respectively.

As reasons for the small use of electricity may be mentioned the low density of population and the low standard of living of the masses who are mostly peasants who get up and start working at sunrise and go to sleep at sunset. The low standard of living of the populace, however, was not the sole cause of the small use of electricity, for there were also political reasons. The former Northeastern military régime, swayed by a strong sentiment of anti-foreignism and jealous of the growing prosperity of Japanese electric enterprises in Manchuria, out of a sheer desire to cause economic losses to them, had small generating stations established indiscriminately at various places to engage in unfair competition with Japanese interests. These new Manchurian electric companies were not only economically unsound but were also handicapped in business because no improvements were made in their facilities nor any attention paid towards popularizing the use of electricity among the masses. The result was a heavy burden upon the consumers who also had to suffer from uncertain and irregular service. The wide-spread use of electricity and the high state of development attained by the electric industry in the Japanese-administered Kwantung Leased Territory and the S.M.R. Zone offered a striking contrast to the condition in the territory under the control of the former Northeastern régime. The following table shows the increased use of electricity since 1936.

Table 2. STATISTICS OF POWER GENERATION

			Supply (1,000 KWH)			Consumption (1,000 KWH)			
						Sold		Lost*	
	No. of Stations	Generation capacity (k. w.)	Generated	Purchased	Total		%		%
1936									
1st ……	20	172,111	277,122	108,524	385,645	309,325	80.0	76,320	20.0
2nd ……	21	170,392	294,769	114,824	409,593	323,685	79.0	85,908	21.0
1937									
1st ……	34	219,019	324,363	130,484	454,848	369,334	81.0	85,513	19.0
2nd ……	41	223,452	339,300	184,024	523,324	421,817	78.6	101,508	11.4
1938									
1st ……	42	229,275	407,014	214,004	621,017	508,112	82.0	112,905	18.0
2nd ……	40	232,668	424,639	247,272	671,911	—	—	—	—

Note: "1st" & "2nd" represent first half & second halves of each year, respectively.
* Includes losses, from transmission and companies' own utilization.

Table 3. ELECTRIC POWER CONSUMPTION CLASSIFIED

	Light			Power		Heat		Total incl. others (1,000 KWH)
	No. of consumers (1,000)	Lights installed (1,000)	Consumption (1,000 KWH)	No. of consumers	Consumption (1,000 KWH)	No. of consumers	Consumption (1,000 KWH)	
1936								
1st	256	1,885	52,119	6,560	266,461	4,848	3,126	322,159
2nd	294	2,103	45,608	7,151	285,042	5,531	2,804	338,368
1937								
1st	336	2,242	58,909	7,502	330,010	5,645	3,474	392,950
2nd	369	2,395	54,888	8,156	407,281	6,421	3,204	466,366
1938								
1st	430	2,626	68,335	9,274	487,323	7,851	4,220	560,330
2nd	495	2,879	—	—	—	—	—	—

Table 4. ELECTRIC POWER CONSUMPTION CLASSIFIED BY INDUSTRIES

(% against grand total. Index: 1st half, 1936=100)

	Textile		Metallic		Machinery		Ceramic		Chemical		Bean-oil	
1935	Index	%	Index	%	Index	%	Index	%	Index	%	Index	%
1st ..	8	0.9	29	11.0	49	6.4	69	4.6	33	18.8	—	—
2nd ..	101	7.8	73	18.0	68	5.8	59	2.6	87	28.7	57	1.2
1936												
1st ..	100	6.4	100	21.0	100	7.3	100	3.7	100	27.8	100	1.7
2nd ..	112	6.7	125	24.5	71	4.9	100	3.5	102	27.0	54	0.9
1937												
1st ..	128	6.4	119	20.1	74	4.4	109	3.3	112	24.9	104	1.5
2nd ..	132	5.5	170	23.4	96	4.5	133	3.3	112	20.3	46	0.5
1938												
1st ..	164	6.3	180	22.4	120	5.3	122	2.7	150	26.4	118	1.2

	Lumbering & wood-working		Provision		Mining		Electric		Total incl. others	
1935	Index	%	Index	%	Index	%	Index	%	Index	%
1st	—	—	41	2.9	17	0.5	89	28.7	56	100
2nd	120	1.3	83	3.9	87	1.6	86	18.4	85	100
1936										
1st	100	0.9	100	4.5	100	1.5	100	18.1	100	100
2nd	142	1.2	154	5.7	123	1.7	109	18.3	104	100
1937										
1st	126	3.1	188	5.8	165	2.5	138	20.6	124	100
2nd	183	1.3	223	5.8	295	3.0	198	23.4	152	100
1938										
1st	160	0.9	236	5.5	374	3.4	229	24.6	180	100

Table 5. ELECTRIC POWER CONSUMPTION CLASSIFIED BY INDUSTRIES

(Consumption in 1,000 KWH)

	Textile Industry						Metallic Industry					
	Ordinary		Contract		Total		Ordinary		Contract		Total	
1935	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption
1st	362	1,767	6	11,593	368	1,333	179	335	4	1,304	183	16,390
2nd	447	2,496	8	15,182	455	17,678	288	1,124	6	39,757	294	40,881
1936												
1st	443	2,839	10	14,378	453	17,217	310	744	12	55,306	324	56,050
2nd	510	3,218	12	15,997	522	19,215	339	1,562	12	54,829	351	70,449
1937												
1st	547	3,664	10	18,362	557	22,026	293	1,106	13	65,367	409	66,473
2nd	634	4,102	12	18,539	646	22,641	336	1,144	16	94,424	352	95,568
1938												
1st	699	4,594	13	23,510	712	28,104	416	1,247	16	100,131	432	101,378

	Machinery Industry						Ceramic Industry					
	Ordinary		Contract		Total		Ordinary		Contract		Total	
1935	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption
1st ...	485	1,276	7	8,323	492	9,599	58	728	6	6,187	64	6,915
2nd ...	625	2,625	10	10,597	635	13,222	44	1,341	6	4,646	50	5,987
1936												
1st ...	660	1,825	12	17,761	672	19,586	62	687	8	9,392	70	10,079
2nd ...	684	2,446	12	11,506	696	13,952	46	1,170	8	8,857	54	10,027
1937												
1st ...	749	2,073	17	12,430	766	14,503	68	1,115	9	9,851	77	10,966
2nd ...	762	2,784	16	15,686	778	18,470	58	1,735	10	11,524	68	13,259
1938												
1st ...	854	3,268	16	20,326	870	23,594	126	1,672	9	10,526	135	12,198

	Chemical Industry						Bean-oil Industry					
	Ordinary		Contract		Total		Ordinary		Contract		Total	
1935	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption
1st ...	257	1,031	13	27,133	270	28,164	—	—	—	—	—	—
2nd ...	204	971	11	64,089	215	65,060	84	282	5	2,374	89	2,656
1936												
1st ...	210	1,442	12	72,817	222	74,259	103	400	5	4,240	108	4,640
2nd ...	210	1,375	12	76,539	222	77,914	140	401	5	2,101	145	2,502
1937												
1st ...	199	1,708	16	80,898	215	82,606	135	610	5	4,356	140	4,966
2nd ...	213	1,967	16	80,671	229	82,638	162	496	5	1,650	167	2,146
1938												
1st ...	236	2,602	25	117,056	261	119,658	163	1,379	5	4,064	168	5,443

(Continued)

(Consumption in 1,000 KWH)

	Lumbering & Wood-working Industry						Provision Industry					
	Ordinary		Contract		Total		Ordinary		Contract		Total	
	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption
1935												
1st ...	—	—	—	—	—	—	1,183	2,638	6	1,737	1,189	4,375
2nd ...	201	2,674	1	76	202	2,876	1,573	5,476	8	3,308	1,581	8,784
1936												
1st ...	229	2,174	2	218	231	2,392	1,612	6,451	11	4,538	1,623	10,589
2nd ...	210	3,033	2	367	212	3,400	1,828	8,334	16	8,021	1,844	16,355
1937												
1st ...	259	2,467	1	544	260	3,011	1,928	10,040	23	9,177	1,951	19,217
2nd ...	273	3,662	5	713	278	4,375	2,093	8,260	40	15,256	2,133	23,516
1938												
1st ...	303	3,022	5	786	308	3,808	2,530	9,241	47	15,945	2,577	25,186

	Mining Industry						Agricultural & Aquatic Ind.					
	Ordinary		Contract		Total		Ordinary		Contract		Total	
	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption
1935												
1st ...	12	19	2	673	14	692	21	23	1	456	22	479
2nd ...	36	176	4	3,388	40	3,564	16	25	—	493	—	518
1936												
1st ...	40	195	6	3,900	46	4,095	27	71	1	639	28	710
2nd ...	44	101	7	4,965	51	5,066	21	415	—	816	—	1,231
1937												
1st ...	19	268	12	6,511	31	6,779	64	256	2	549	66	805
2nd ...	17	300	15	11,823	32	12,123	43	489	—	674	—	1,163
1938												
1st ...	17	156	16	15,115	33	15,271	137	364	2	523	139	887

	Printing & Bookbinding Ordinary		Electric Ind. Contract		Total incl. Others					
					Ordinary		Contract		Total	
	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption	Consumers	Consumption
1935										
1st ...	—	—	23	42,910	5,790	20,276	115	129,164	5,905	149,440
2nd ...	362	572	23	41,618	6,134	25,589	120	200,439	6,254	226,028
1936										
1st ...	374	636	24	48,334	6,404	25,895	156	240,826	6,560	266,721
2nd ...	391	721	24	52,728	6,983	30,983	168	254,675	7,151	285,668
1937										
1st ...	402	826	23	67,109	7,297	33,448	205	297,211	7,502	330,659
2nd ...	415	848	24	95,783	7,899	35,344	257	372,627	8,156	407,971
1938										
1st ...	456	909	20	110,993	8,982	37,709	292	449,860	9,274	477,569

The electric light rate in Dairen, Antung, Hsinking and Mukden, where electricity is supplied by the Manchuria Electric Corporation, is M¥2.00 per 10 kilowatt-hours. This is by no means high when compared with the rates in principal cities of Japan and China, the rates Kyoto being ¥1.85 per 10 kw.; Tokyo ¥1.95; Nagoya and Kobe, ¥2.05; Yokohama, ¥2.20; Osaka, ¥2.41; Shanghai, $1.80; Tientsin, $2.50, and Peking, $2.20. ($1.00 is equivalent to about ¥1.06; M¥1.00 is equivalent to ¥1.00).

The rates of the Manchurian electric companies, on the other hand, were extremely high, due to disorderly management and small distribution of electricity. This fact proved to be the main obstacle to the spread of electricity. However, with the establishment of the Manchuria Electric Corporation through the amalgamation of numerous firms, a gradual unification of rates on a rational basis was undertaken, taking into consideration the geographical condition and the state of demand in each district. It is stated that the unification of electric rates throughout Manchuria will be completed within five years.

Since the Manchurian Incident, there has been a marked increase in the amount of electricity generated, which in 1935 totalled 1,084,000,000 kilowatt-hours, representing a twofold increase as compared with the 500,000,000 kilowatt-hours in 1930. At present 98 per cent of electricity in Manchoukuo is generated by caloric heat, the amount of coal consumed for this purpose running up as high as 1,000,000 tons a year. With the development of various industries in the future, the demand for electric power is bound to increase. To meet this increased demand by caloric power would mean the consumption of an enormous amount of coal annually, which would not be desirable even for a country such as Manchuria, which is blessed with almost inexhaustible coal deposits. The Government, therefore, is planning to harness the vast hydraulic resources of the country, which, it is estimated, are capable of producing constantly a supply of 1,500,000 kilowatt-hours of electricity. For this purpose it has since 1935 been undertaking an exhaustive investigation of hydraulic resources under a ten-year plan. A plan for the development of hydroelectric industry under the State management is in fact already reported to have been decided in conjunction with the new five-year industrial development plan, which is being executed at a total expenditure of some two billion yen.

The electric industry of Manchoukuo, as the foregoing analysis shows, is yet in an undeveloped state when it is considered that the percentage of electric consumers is only 5.9 per cent of the total population, while the number of people residing in the districts supplied with electricity is as low as 1.7 per cent of the entire nation. However, as the economic standard of the masses rises with the development of industry, the electric industry, under the management of the Manchuria Electric Company and the supervision of the Manchoukuo Government, should, in the near future, carry the light of civilization the length and breadth of the Empire. The following are subsidiary companies of the Manchuria Electric Company.

Table 6. SUBSIDIARY COMPANIES OF THE MANCHURIA ELECTRIC CO.
(June, 1939)

Co.	Capital (M¥)	Total Shares	Held by the Manchuria Electric Co.	
				%
Wafangtien Electric Light Company	200,000	4,000	2,200	55.0
Tashihchiao Electric Light Company	300,000	6,000	3,150	52.5
Kaiyuan Electric Company	500,000	10,000	5,020	50.2
Tatung " "	2,000,000	40,000	21,750	54.5
Chengchiatun " "	300,000	6,000	3,734	62.0
Tunhua " "	1,000,000	20,000	17,858	90.0
Peian " "	1,000,000	20,000	18,608	93.0
Ilan " "	90,000	1,800	1,300	72.0
Tsienkouchi " "	100,000	2,000	1,386	69.5
Manchouri " "	140,000	2,800	1,400	50.0
North Chosen Associated Electric Company ..	17,750,000	355,000	25,980	69.0
Manchuria Electric Chemical Industrial Co. ..	30,000,000	600,000	200,000	33.3

The Second Sungari Power Project

The Second Sungari power project, upon completion at the end of 1942, will have a total annual generating capacity of 2,600 million kwh., or more than double the annual output for the whole of Manchuria in 1939. It is located at Ta-feng-man, 21 kilometers upstream from the city of Kirin. The Second Sungari waters a basin of 43,000 square kilometers. Its maximum flood discharge is 10,000 cubic meters per second, its mean annual discharge 16,200,000,000 cubic meters and its minimum discharge 40 cubic meters per second. The dam is of the concrete gravity type with a height of 81 meters and a length of 1,100 meters, the volume of concrete necessary being 1,900,000 cubic meters.

The reservoir upon completion will have a length of 170 kilometers, a circumference of 2,000 kilometers and a total surface area of 545 square kilometers, or approximately four-fifths that of Lake Biwa, in Japan. The maximum depth will be 74 meters and the capacity 11,000 million cubic meters. The turbo-generators of the power plant in the initial stage will be six in number generating 60,000 kw. each, but in the final stage an additional four sets developing the same amount of kilowatts each will be installed, the total generating capacity thus amounting to 600,000 kw. The annual generating power will be 2,600 million kwh.

Construction estimates for this large project run up to ¥100,000,000. The project is of two-fold importance, because, in addition to hydro-electric generation an area of 72,000 Japanese cho (176,000 acres) along the lower reaches of the river, which is now a waste land, can be irrigated by the artificial lake for the cultivation of farm crops, including rice, while a total of 160,000 Japanese cho (392,000 acres) will be released from the ravages of floods during the rainy season.

The generators for the power plant are being supplied by the United States, Germany and Japan. In the spring of 1940 the Westinghouse Company supplied the first of three water wheels and three generators, costing roughly ¥7,500,000 and the rest were expected at short intervals. Three generators were ordered from Otto Wolff of Germany and have since been delivered in sections. Two generators placed with makers in Japan were to be delivered at the beginning of 1942. The construction cost of the Sungari power plant breaks down to approximately ¥230 per kilowatt.

In June 1940 construction had progressed to the point where the foundation work had been completed and the ferro-concrete skeleton of the generating plant partly erected. The so-called first stage construction calling for the generation of 180,000 kw. is scheduled to be completed in May 1942, while by the end of the same year the entire plant is expected to be built.

Yalu River (Suiho) Project

The Yalu River power plant is a joint undertaking of Manchoukuo and Chosen. The maximum capacity of the Yalu River facilities is set at 1,600,000 kilowatts. The first stage work was started at a cost of ¥100,000,000, calling for the establishment of facilities on the Korean side of the river for generating 640,000 circumstances.

Upon its completion the Suiho power station will be the largest unit in East Asia and among the world's most powerful. On August 25, 1941 a section of the power station was completed and commenced operating. The construction cost was over ¥100 million, four years' of man-power being thrown into the work. From the civil engineering aspects, the plant in its present form is only 60 to 70% complete while the power house facilities are barely one-third finished. Another two years will be required before the station will be finished and functioning at capacity as originally designed.

The Suiho station is located 120 kilometers upstream. The River Yalu, which marks the boundary between Manchoukuo and Korea, winds 800 kilometers through a basin as large as 45,000 square kilometers. Altogether seven dams and as many power houses are to be built on the river and the Suiho unit is the sixth counting from the upstream, giving the largest output of all.

When the Suiho station is completed it will have a dam 106 meters high, 898 meters long, with a capacity of 3,200,000 cubic meters, the second largest reservoir in the world surpassed only by the Grand Coulee Dam of America. The cement used in its construction was 750,000 metric tons. The surface area of the reservoir is to be 345 square kilometers comparable to Grand Coulee's 391 square kilometers, the dam's water holding capacity being around 20,000 million cubic meters of which 7,600 million cubic meters will be the effective volume for power generation. If the water to be contained in the dam is used for general water supply, the entire needs of Tokyo's 7,000,000 people can be taken care of for over twenty years.

The turbines and generators installed in Suiho are really the world's largest and best, out-shadowing the 82,500 kilowatt unit in installation in America's Boulder Dam. It is a matter of pride for the Japanese nation that these top-notch machinery are all of domestic construction. The turbines were made by the Dengyosha Prime Mover Works, Ltd., Kamata, Tokyo, and the generators by the Shibaura Engineering Works, also of Tokyo.

The construction of the Suiho project is a joint undertaking of the Oryokko (Yalu) Hydro-Electric Company of Korea and the Oryokko (Yalu) Hydro-Electric Company of Manchoukuo. The entire shares of the first named concern are owned by the Japan Nitrogen Company and those of the latter by the Manchoukuo Government. After a recent capital increase to twice the former size, both companies now have ¥100 million capital each. Because the power sites are located on the boundary lines of the two countries, this form of joint undertaking has been adopted.

The entire construction work is under the exclusive care of the Japan Nitrogen Company which has seasoned experience in such work gained mainly through its development of power sites on the Rivers Fusen, Shoshin, Kyosen, etc. in North Korea.

Pilteng Lake Plant

The Pilteng Lake plant aims at producing a maximum of 30,000 kilowatts and an average of 15,000 kilowatts of power for consumption in Mutankiang and Chientao Provinces. The construction work for this plant was commenced in May 1939.

Hunkiang Plant

The Hungkiang plant is set to produce the necessary hydro-electric power for the development of the rich mineral deposits of Tungpientao and its surrounding districts and it has been decided to construct immediately a power plant on the Huanyen River to supply 200,000 KW. of electric power for the exploitation of these units.

Other Projects. In addition to the afore-mentioned plants, a project has been under way to construct power plants on the Lan and Pai rivers in North China, principally in the region of Chitung district. It is anticipated that approximately 500,000 K.W. of electric power can be generated there, and at present the district is being closely surveyed.

The planned development of hydro-electricity in Manchoukuo is a tremendous undertaking and with the exception of the Yalu River plant which is a joint enterprise of Manchoukuo and Chosen, all the remaining plants will be developed through a regulated and all-embracing plan under the direct management of the Government of Manchoukuo. It is believed that when the power plants are completed electric power will be supplied at a moderate cost and as a result this will supply the necessary impetus towards the brisk development of industries.

GAS INDUSTRY

The gas industry was initiated in Manchuria by the South Manchuria Railway Company in 1910 when the Company started supplying gas to the public by establishing a furnace with a daily capacity of 300,000 cubic feet and also a gas tank of a 150,000 cubic feet capacity. In 1925 the Company set up branch plants at Mukden, Anshan and Hsinking. Simultaneously with this the gas works of the Company was reorganized into the South Manchuria Gas Company, capitalized at ¥10,000,000, fully paid-up.

The Fushun Colliery has its own gas producing plant, and also is supplying the public. Gas production in 1938 amounted to 29,445,000 cubic meters.

Table 7. STATISTICS OF GAS INDUSTRY

Year Ending Mar. 31:	No. of		Daily Capacity (cubic m.)	Production (1,000 cubic meters)	Tank		Extension Length of Pipe (kilometers)		
	Cos.	Factories			No.	Capacity	Main pipe	Conducting pipe	Indoor pipe
1933	2	6	86,158	—	10	71,386	525	467	537
1934	2	6	86,200	23,445	10	81,200	567	521	756
1935	2	6	105,200	29,504	11	86,383	627	622	640
1936	2	6	114,900	32,982	11	86,872	704	689	682
1937	2	6	130,200	37,589	12	85,700	711	787	745
1938	2	6	124,600	29,445	12	86,700	—	—	–

	No. of Customers	No. of Nozzles	Total Supply (1,000 cubic m.)	Raw materials Consumed		By-Products		
				Coal (m. tons)	Coke (m. tons)	Coke (m. tons)	Tar (Kilolitres)	Ammonia (m. tons)
1933	42,809	113,575	15,274	—	—	19,599	1,897	145
1934	46,622	122,631	18,924	41,377	20,291	33,658	2,854	113
1935	55,297	142,945	22,925	59,756	7,648	38,271	2,900	124
1936	63,494	163,897	26,755	71,351	9,227	46,270	3,346	135
1937	71,146	181,835	29,946	76,830	9,648	49,509	3,263	169
1938	67,135	201,208	27,930	64,700	—	41,743	2,056	–

CHAPTER XXII

TRANSPORTATION

ROADS

General Remarks

It is no exaggeration to say that before the advent of the new State, there were no regular highways in Manchuria. There was however, considerable traffic carried on, for during the winter months the frozen rivers and fields provided thoroughfares in many places, enabling the native inhabitants to transport several million tons by means of horsecarts. Manchoukuo, born as a Wangtao State, had to adopt a road policy worthy of such State and adequate for the needs of the times. In the belief that the construction of roads was an essential element in State-building, not merely for the sake of trade and industry but from the standpoint of public peace, administration, and defense, the Government set about building roads and thoroughfare fit for traffic in all seasons. At the close of 1940, the total length of roads fit for motor traffic reached nearly 70,000 kilometres, a remarkable achievement compared with 36,672, the figure at the birth of the new State. Motor vehicles are now seen even in the remote districts where donkey or horse carts used to be the only means of traffic and where bandit attacks were frequent—a change beyond the dreams of local inhabitants.

Table 1. ROAD AND BRIDGE CONSTRUCTION

	National Roads		Local Roads		Bridges	
	Extension (Kms.)	Expenses (M¥1,000)	Extension (Kms.)	Expenses (M¥1,000)	Length (Meters)	Expenses (M¥1,000)
1932	707	872	—	—	—	—
1933	3,000	6,931	5,219	75	480	56
1934	2,632	12,876	2,138	684	1,595	146
1935	580	5,699	1,469	346	2,122	249
1936	2,071	10,916	1,486	846	3,266	207
1937	2,168	7,092	989	717	5,700	189
1938	1,920	13,461	2,598	403	8,455	1.894
1939	2,373	38,424	2,551	1,008	—	—
1940	3,011	92,994	4,215*	858	—	—
Total	18,462	189,265	20,665*	4,937	21,618	2,739

Note: * Inclusive of bridges.

Table 2. LENGTH OF ROADS CLASSIFIED

(End of 1937; Unit: Kilometers)

Province:	Usable year-round	Unusable after rains	Unusable in rainy season	Usable in winter only	Total Length
Kirin	1,015	1,220	2,839	1,577	6,652
Lungkiang	504	3,486	637	1,230	5,857
Heiho*	—	—	—	—	—
Sankiang	—	371	2,037	755	3,163
Mutankiang	187	181	625	632	1,625
Pinkiang	1,080	3,490	1,918	319	6,806
Chientao	194	512	249	286	1,241
Tunghua	845	667	432	112	2,056
Antung	652	1,357	2,727	20	4,756
Fengtien	2,990	3,205	1,518	129	7,841
Chinchow	1,847	1,122	1,189	237	4,395
Jehol	1,118	1,711	1,159	166	4,153
Hsingan W.*	—	—	—	—	—
Hsingan S.	295	761	494	45	1,495
Hsingan E.	47	185	—	199	431
Hsingan N.*	—	—	—	—	—
Total	20% 10,773	36% 18,267	31% 15,723	12% 5,706	100% 50,468

Note: * Investigation not yet completed.

Table 3. FIVE-YEAR PLAN FOR IMPROVEMENT OF LOCAL ROADS AND BRIDGES

(1938–1942)

Roads	Length (km.)	14,580	Allotment for 1938	4,333,060
	Subsidy (M¥)	10,008,430	„ „ 1939	3,398,420
Bridges	Length (km.)	32,289	„ „ 1940	4,231,610
	Subsidy (M¥)	11,594,000	„ „ 1941	4,313,360
Total State Subsidy		21,602,430	„ „ 1942	4,321,980

Note: Standard width of road is 6–8 meters.

State Highways

For carrying out its road programme, the Government, in 1933, established the Bureau of State Highways. The original road programme contemplated the construction of 60,000 kilometres of national highways, in ten years from 1932 to 1940, but various circumstances compelled the revision of the plan. According to the revised programme, 10,000 kilometres of new roads were envisaged for the first period (1932-1936), and 13,000 kilometres for the second period (1937-1941). During the first period, 8,992 kilometres were completed, while the results for the second period are expected to be equally satisfactory. In addition to the above programme, the construction of roads for the exclusive use of motor vehicles is also under consideration. The total extension length of State highway reached to 18,462 kilometers at the end of 1940.

Local Highways

In view of the importance of local highways for developing trade and industry and for spreading culture, the Government which had created the Bureau of State Highways to carry out the national road programme, established the Public Works Bureau in the Department of People's Welfare to take charge of the extension and improvement of local roads. The machinery of public works administration has been modified from time to time, and now the control over public works, both national and local, belongs to the Department of Communications, with the public works sections in local governments as the immediate organs of execution. Including bridges, over 42,000 kilometers of local highway was completed before 1941.

MOTOR TRAFFIC

Considering the vast extent of Manchoukuo territory suitable for motor traffic and the importance of the service from the standpoint of industry, defense, and culture, a great expansion of this branch of communication is simply a question of time.

With the establishment of internal order and the construction and improvement of roads, motor traffic, including both motor bus and truck services, began to make rapid progress. In view of the characteristics of the traffic the Government divided the business into national and private categories, entrusting the former, as in the case of the State railways, to the management of the S.M.R. Motor transport in all the provinces except Fengtien, Kirin, and Antung was declared a State enterprise, conducted by the S.M.R. on behalf of the Government; while the private motor transport business in the three provinces was consolidated by amalgamation, for the sake of greater efficiency and coordinated development. Thanks to these arrangements, motor transport has continued to make satisfactory progress, the roads under operation now totalling 25,000 kilometres. Motor transport has thus become a very important branch of internal communication, side by side with railways and other means of transport.

Table 4. CONDITION OF MOTOR BUS TRANSPORTATION

	No. of lines	Length extension lines (Kms.)	Length of operating lines (Kms.)	Investment (M¥1,000)	Aggregate number of passengers carried (1,000)	Aggregate amount of goods hauled (1,000 m. tons)	Total Receipts (M¥1,000)
Governmental:							
1934	19	8,876	3,544	2,300	358	6,650	1,223
1935	33	9,935	4,366	2,339	515	5,103	1,580
1936	65	11,272	5,644	2,422	722	7,081	1,830
1937	80	13,103	5,386	—	1,132	38,066	3,508
1938	—	—	—	—	6,311	38,230	7,311
1939	206	20,547	16,718	—	—	—	—
Private:							
1934	32	3,752	3,311	2,195	—	—	—
1935	63	4,693	4,125	3,830	34,278	16,742	3,239
1936	104	5,518	4,215	4,174	43,697	41,252	4,389
1937	123	6,687	6,500	—	72,821	—	5,997
1938	—	6,922	—	—	—	—	—
1939	—	7,144	7,144	—	—	—	—

Motor Transport: National

As has been stated above, motor service in Manchoukuo is partly national and partly private. The service on roads important from the standpoint of industry, internal peace, and national defense has been designated as national, with the S.M.R. conducting the business on behalf of the Government, as has already been observed. In the days before the advent of the new State, roads in Manchuria were in very bad condition. During the rainy season, they became so muddy as to cause a stoppage of traffic, often for weeks. Soon after the establishment of Manchoukuo, the Government adopted a national road policy, in accordance with which the construction and improvement of roads are now being pushed.

Details of state bus lines as of April, 1939 are given hereunder:

Table 5. STATE BUS LINES
(April, 1939)

Mukden Railway Bureau
(Total Length: 1,857 kms.)

	Kms.
Ancheng Line:	
Antung-Chengtzutuan	232
„ -Hungchikai	52
„ -Wulungpei	22
Hoshenkou-Lungwangmiao ..	45
Takushan-Fenghuangcheng .	96
„ -Tashihchiao	175
Chuangho-Paipin	120
„ -Siuyen	72
Chehmucheng-Pachakou	12
Hainiu Line:	
Haicheng-Niuchuang	25
Yingkow-Neuchuang	40
Hailiao Line:	
Haicheng-Liaoyang	62
Anren Line:	
Lishan-Liaoyang	16

	Kms.
Fenghu Line:	
Mukden-Fushun	56
Hutieh Line:	
Hushun-Tiehling	65
Liaohu Line:	
Hushun-Waitoushan	60
Waitoushan-Liaoyang	65
Chenghu Line:	
Hushun-Chengchang	110
Fengcheng Line:	
Mukden-Kangping	119
Faku-Changkutai	108
Faku-Tungchiangkou	29
Hsiaokou-Kangping	39
Faku-Ilu	72
Minchang Line:	
Hsinmin-Changwu	62

(Continued)

Chinchow Railway Bureau
(Total Length: 3,146 kms.)

	Kms.
Jehol Line:	
Lingyuan-Suichung	184
Suichung-Minshuitangpienmen	43
Pingchuan-Hsifengkou	97
Lamatung-Chinglung	103
Chinglung-Hsiatien	69
Pingchuan-Hsichiao	131
Hsichiao-Nolin	20
Hsichiao-Chihfeng	*59
Chengteh-Weichang	135
Sanchakou-Kupeikou	91
Yingpang-Fengning	47
Lingyuan-Lengkou	164
Chengteh City	3
Chinfu Line:	
Chinchow-Sihaikuo	36
Hsingshan-Hulutao	45
Chinsi-Yangchiachangtzu ..	35
Chinchow City	11

	Kms.
Chaoyang-Chienping	82
Yehaishou-Hsinghui	115
Tahushan-Hsiatientzu	32
Weichang-Chihfeng	*130
Weichang-Tolun	*130
Chihfeng-Linhsi	210
Peiha Line:	
Fuhsin-Halaton	62
Pattuchangpienmen-Peichen .	37
Fuhsin-Tunglumutewang ...	21
Peikai Line:	
Peipiao-Namanchi	152
Kailu-Namanchi	115
Tungliao-Koutsinsuchi	92
Tungchieng Line:	
Tungliao-Kailu	86
Kailu-Lintung	180

(Continued)

Kirin Railway Bureau

(Total Length: 1,861 kms.)

	Kms.
Tunghua Line:	
Tunghua-Tsian	*116
Tsian-Yangyutao	19
Tsian-Huangpai	34
Tunghua-Pataohao	60
„ -Haunjen	94
„ -Tunghua Station	5
Shanchengchen-Liuho Station	37
Liuho-Wufenglou	51
Chaoyangchen Line:	
Chaoyangchen-Fushung	145
Peipinanchuan-Wutaokou	85
Liuho-Kushantzu	28
Kingki Line:	
Hsinking-Kirin	126
Kirin-Hsiaofengman	25
Itung Line:	
Itung-Panshih Station	80
„ -Yentungshan Station	90
„ -Shihling Station	60
Chaluho-Shuangyang	37

	Kms.
Nungan Line:	
Nungan-Fulungchuan	50
„ -Kuochiatun	*25
„ -Kaoshantun	60
Kuochiatun-Tafangshen	49
Mimen-Kaoshantung	30
Chiutai Line:	
Hsiachiutai Sta.-Shanghowan	82
Chitamu-Pachitun	45
Hsiachiutai Sta.-Ssutsingtsuitzu	*
Nankuan-Hsiachiutai Station	30
Chiaoho Line:	
Chiaoho-Pachiatzu	27
Tunhai Line:	
Tunhua-Kuanti	32
Kuanti-Emu	30
Tunhua-Emu	*50
Tungmen-Mahao	28
Antu Line:	
Mingyuehkuo-Antu	124

(Continued)

Mutankiang Railway Bureau

(Total Length: 1,894 kms.)

	Kms.
Tungman Line:	
Tumen-Mishan	*45
Hunchung-Tinghsingchen	100
„ -Chingyuchiao	51
Tahungkou-Lotzukou	82
Suifenho-Sanchakou	62
Sanchakou-Tinghsingchen	120
Mishan Line:	
Mishan-Pingyuang	78
Pingyuang-Lishuchen	52
Lishuchen-Mishan	22
Mishan-Mishan Sta.	12
Pingyuang-Pingyuang Sta.	12
Poli-Chitaiho	32

	Kms.
Hartung Line:	
Shanhsin-Chiamussu	106
Chiamussu-Huachuan	39
Huachuan-Fuchin	*113
Fuchin-Tungkiang	76
Sanhsin-Poli	110
Chiamussu-Fuchin	166
Fuchin-Paoching	120
Shakang-Paoching	139
Chiamussu-Hsingshantun	205
Chienchen Sta.-Huanying	5
Huanying-Sanhsinchien	100
Chiamussu City	19

(Continued)

Harbin Railway Bureau

(Total Length: 2,225 kms.)

	Kms.
Hartung Line:	
Harbin-Hulan	23
Hulan-Mulan	122
Mulan-Tungho	75
Tungho-Sanhsin	81
Fangcheng-Talomi	55
Tungho-Fengshan	60
Pingfeng Line:	
Harbin-Pingfeng	26
Lalin Line:	
Harbin-Acheng Sta.	45
Hsiangfang-Acheng	36
Acheng-Lalin Sta.	38
Acheng Sta.-Barrack	3
Mankou Line:	
Mankou-Yuyuan	98
Yuyuan-Fuyu	50
Mankou-Hsikang	82
Hsikang-Mingshui	60
Hsikang-Chifeipaching	52
Lanhsi-Hulan	50

	Kms.
Harbin-Loanchen	30
Sanchaho Line:	
Sanchaho-Wuchang	120
„ -Yushu	60
Yushu-Pachitun	60
Wukoshu-Taolaichao	23
Kungpengtzu-Tapahao	12
Hsinglungtien-Ssuchiafang	74
Sanchaho-Fuyu	125
Suchiaputzu-Wuchiachan	18
Hsiaokungpengtzu-Fuyu	72
Lalin Line:	
Yushu-Lalin	59
Nohei Line:	
Heiho-Aigun	33
Aigun-Chiko	114
Heiho-Chinshangchen	*225
„ -Kantachi	124
Sunwu-Chiko	115
N. Sunwu Sta.-Barrack	5

(Continued)

Tsitsihar Railway Bureau

(Total Length: 2,826 kms.)

	Kms.
Tsicha Line:	
Tsitsihar-Kannan	107
Meiliszu-Fulaerhchi	14
Yungankai-Anganghsi	20
Tsita Line:	
Anganghsi-Tuerpete	100
Talahar-Taikang Sta.	106
Talahar-Tatungchen	74
Nohei Line:	
Noho-Puhsi	30
Nunkiang City	6
Tailai Line:	
Tailai-Chinghsing	107
Tatzucheng-Chalainoerh	22
Fulaerchi-Puhsi	54
Lintieh Line:	
Taikang Sta.-Lintieh	55
Lintieh-Ian	55

	Kms.
Tsitsihar-Lintieth	80
Paichuan Line:	
Anta Sta.-Paichuan	160
Paichuan-Koshan Sta.	65
Anta-Hsikiang	42
Paichuan-Hailun	85
„ -Ian	65
Paichuan-Kotung Sta.	66
Koshan-Peihsingchen	58
Paichuan-Taian Sta.	81
Taian Sta.-Ian	47
Antai Line:	
Anta Sta.-Tatungchen	67
Tatungchen-Yuchow	57
Hsingan Line:	
Wengchuan-Hailar	*285
Hailar-Nalemutu	180

(Continued)

	Kms.
Hailar City	10
Taonan-Fengchuan	105
Wangyehmiao-Fengchuan	113
Sanchiatzu-Wafangchen	44
Wangyehmiao-Wafangchen	65
Kingtao Line:	
Taonan-Ankuang	*86
Ankuang-Lungchuantun	30
Kanan Line:	
Kaitung-Chienkuochi	155
Taipingchuang-Tanyu	45
Tanyu-Kaitung	50
Chienkuochi Line:	
Chienkuochi-Fuyu	8

Note: * Note in operation.

Motor Transport: Private

With regard to motor transport in Fengtien, Kirin, and Antung, the three provinces reserved for private enterprise, where urban and suburban traffic forms the main volume, the service is being developed in a coordinated manner, with the participation of the Dairen Urban Traffic Company in the capital and technical organization of the service. In accordance with this policy of the Government, the Hsinking Traffic Company was established in July, 1935, for the Special Municipality and its environs, and the South Mukden Traffic Company was organized in August, 1936. The establishment of other new companies followed in quick succession: the Fuhsien Traffic Company in March, 1937, the North Mukden and Harbin Traffic Companies in July, 1938, the Antung Traffic Company in December, 1938, and the South Fengtien Traffic Company in November, 1939 (this last company amalgamating the services in Liaoyang, Anshan, Yingkow, Wafangtien, etc.) In this manner, a coordinated system of private motor transport has been built up. These companies are now doing their best to improve their service, with their capital fully paid up.

WATERWAYS

General Remarks

Following the establishment of inseparable connection with Japan, the Government of Manchoukuo adopted the development of economic resources and the extension of communication facilities as vital national policies, which are now pursued with the utmost vigour. In this section, the waterways, harbours, etc., in Manchoukuo are discussed as an important part of the communication system of the country.

The rivers in Manchuria form two large systems, the one flowing in a northeasterly and the other in a southerly direction. The annual damage from floods is still considerable, owing to the neglect of riparian works during the former regime as well as the natural conditions of the streams. In order to save the country from the damage of floods and to develop irrigation, water power and transport, a large scale river improvement plan with the scheme for the Liao River as its central feature, was adopted, a plan which is now steadily pursued. As regards sea transport, the growth has been of a recent date, since Manchoukuo is favoured with few good harbours, in spite of the length of its coasts. In view, however, of the world situation, the Government is also endeavouring to strengthen the position of Manchoukuo in this respect, by adopting necessary legislation and by constructing new harbours and expanding existing facilities.

As the rivers in Manchuria form two great systems there has always been considerable inland water transport. In recent years, however, the traffic on the Liao River began to decline, owing to the accumulation of alluvial deposits—a circumstance which led to the improvement scheme for that river. In North Manchuria, the Sungari constitutes a great artery of water transport, vessels of over 1,000 tons sailing up to Harbin, the centre of inland shipping. In striking contrast to the situation during the old regime, ships including ocean-going vessels, flying the Manchoukuo flag are increasing year after year.

The navigation bureaus of Manchoukuo, classified by regions under their supervision are subjoined.

Table 6. NAVIGATION BUREAUS BY TERRITORIES

Harbin Navigation Administration Bureau	Harbin	1st Sungari, 2nd Sungari, Ussuri, Nonni, Amur, Arugun and their branches and coasts.
Yingkow Navigation Administration Bureau	Yingkow	Pohai and the Liaoho which empties into it and other rivers, and their branches an coasts.
Antung Navigation Administration Bureau	Antung	Huanghai and the Yalu emptying into it and other rivers, and their tributaries and coasts.

Table 7. REGULAR RIVER VOYAGE COURSE
(1937)

		Vessels allotted		
	Kms.	Steamers	Lighters & Sailing Vessels	Total
Harbin-Fuchin	623	349	755	1,104
Fuchin-Heiho	759	26	20	46
Heiho-Moho	827	62	35	97
Moho-Kokan	344	17	18	35
Fuchin-Hulin	663	25	15	40
Hulin-Huangkang	241	26	16	52
Hulin-Antungchen	190	2	—	2
Harbin-Fuyu-Talai	332	42	68	110
Harbin-Heiho	1,418	35	35	70
Harbin-Hulin	1,286	37	31	68
Harbin-Sansheng	341	394	1,057	1,451
Harbin-Chiamussu	451	149	—	149
Harbin-Chikote	154	48	—	48
Heiho-Wuyun	299	8	—	8
Chiamussu-Lienkiangkow	5	718	—	718

Table 8. RESULTS OF RIVER VOYAGE

	No. of days opened	Operating kilometers	Vessels		No. of Passengers carried (1,000)	Goods carried (1,000 tons)	Total revenue (M¥1,000)
			No.	Tonnage (1,000)			
1933	201	3,866	312	124	327	663	4,938
1934	200	4,820	319	120	393	821	6,484
1935	208	4,478	317	120	500	755	6,146
1936	202	4,478	310	119	640	846	6,439
1937	207	3,753	312	118	713	803	6,422
1938	219	3,753	310	118	709	885	6,223

Table 9. NUMBER OF REGISTERED VESSELS

(End of July 1939; Excluding vessels less than 20 tons)

Navigation Administration Bureau:	Steamers		Lighters		Sailing Vessels	
Manchoukuo:	No.	Tonnage	No.	Tonnage	No.	Tonnage
Harbin	124	51,170	256	73,334	111	3,606
Yingkow	77	26,265	18	1,896	353	11,819
Antung	13	547	6	374	317	10,978
Hulutao Branch	1	34	—	—	115	7,584
Heiho Branch	—	—	—	—	10	322
Total	215	78,016	280	75,604	905	34,309
Kwantung	160	275,019	101	271,945	294	14,435
Combined Total	375	353,035	381	347,549	1,199	48,744

Harbours

Yingkow, Antung, Hulutao, and Harbin are the chief ports in Manchoukuo. As the S.M.R. emphasized the importance of Dairen, these ports remained, until recently, in a subsidiary position. But in order to facilitate transportation for the purpose of the Five Year Plan and other programmes, the Government not only set about constructing a canal connecting Yingkow, Mukden, and Antung, but proceeded energetically with the harbour works at Yingkow and Hulutao. The port last mentioned is expected to be completed before the end of 1940. Further, with the object of creating a large industrial centre on the lower reaches of the Yalu, the Government, in 1939, began the construction of Tatung Port at the estuary of the river. Manchoukuo is thus going ahead with the development of water transport, along with Dairen and the three North Korean ports of Rashin, Seishin, and Yuki.

Hulutao Port

Hulutao is a piece of land projecting into the sea of Lienshan Bay, approachable by a railway, about 12 kilometers long, branching off at Lienshan station, 33 miles west of Chinchou. The port of Hulutao is an ice-free port in Pohai with an extensive hinterland favored in depth of water, direction of wind, temperature, etc. The harbour construction was started in 1908 at an estimated cost of £800,000 with a five-year-programme. The work was resumed in 1919 at an estimated expenditure of 10,000,000 dollars in silver, but it had to be suspended because of a civil disturbance. It was in January, 1930 that a contract with a Dutch firm was signed, and the harbour constructed was to be resumed again at an estimated expenditure of 6,400,000 dollars in American currency. The Manchurian incident caused the abandonment of the resumed work. After the foundation of Manchoukuo, the work was resumed. Then after again suspending the work for a time, the Government of the new country entrusted the harbour construction to the South Manchuria Railway Company for opening up industry in Jehol, especially with an eye to the shipment of Shinkiu and Peipiao coal.

The Company launched a five-year harbour construction plan for the port in 1935 at a total cost of ¥20,000,000 with the object of increasing the cargo handling capacity of Hulutao to 3,500,000 metric tons, and construction of the foundations of Piers Nos. 2 and 3 has been completed. Compared to 1938, Hulutao's cargo handling capacity in 1939 had trebled from 65,000 metric tons to 200,000 tons.

In view, however, of the increasing importance of the harbour works at Hulutao owing to the active development of Manchoukuo's Five Year Industrial Plan and to the closer relationship with North China since the China Incident, the S.M.R. Company has decided to revise and expand the above harbour construction plan in order to increase the port's handling capacity to 4,000,000 tons. This will entail an additional expenditure of ¥10,000,000. Under the revised project, both Piers Nos. 2 and 3 were to be opened for use in 1939, while Pier No. 4 was also to be completed the same year, raising the port's cargo handling capacity to 1,000,000 metric tons. The entire project was scheduled for completion in 1940.

Hulutao was designated as an open port by the State Council on April 5, 1937.

Tatung Harbour

The construction of a large harbour was started several years ago near the mouth of the River Yalu, and some 30 kilometers southwest of the present city of Antung. It is known as Tatung Harbour and upon its completion it is expected to facilitate considerably the transportation of goods from and to Manchoukuo.

The establishment of Tatung Harbour was commenced in collaboration between the Manchoukuo Government and the South Manchuria Railway Company. As the agent of the former, the Tatung port construction bureau was inaugurated in June, 1939, to take charge of city planning, waterworks and a navigable channel, while the latter created its harbour construction office in July, 1940, to take charge of the pier and railway construction.

What promises a bright future for this harbour construction work is the following three points indispensable for all industrial construction: labour power, the object of construction and materials. As industrial materials, the place is near the Tungpientao districts, the treasure trove of Manchoukuo. in addition to which power resources may be found in the Yalu. There is also the Ai river which yields water to the amount of 3,000,000 tons in the drought season, the Chaotsukow which has a valley 240 square kilometers, the Tayangho with its valley of 5,000 square kilometers.

A city with accommodations for a population of 1,500,000 will be built beside the harbour. The total area of the city will be 176 square kilometers, and the government has already purchased this site at an outlay or 21,743,000 yuan.

Upon its completion Tatung Harbour will accommodate vessels up to 4,000 tons displacement.

Rivers and River Works

Of the Manchurian rivers, the Sungari, Nonni, and Ussuri belong to the northeasterly or Amur system, while the Liao, Great Liao, etc., form the southerly system. The Yalu, Tumen, etc., flow along the Korean frontier. The streams in Manchuria are slow and winding, producing marshes and lakes on their way.

Precipitation in Manchuria is about half the amount in Japan, but some 60 or 70 per cent. of the annual total occurs during the three months of June, July, and August. The concentration of rainfall, however, means floods, a fact which at once calls for and creates difficulties for, riparian improvement. The central authorities controlling rivers and river works are of course the Department of Communications, which is cooperating with local authorities regarding the preservation and maintenance of waterways, as well as the execution of riparian works. Of such works, the Liao River improvement scheme and the drainage works, etc. on the Sungari (near Shanhsing) are the most important.

Manchurian rivers and lakes provide immense hydraulic resources, which are now being steadily developed.

AVIATION

General Remarks

The former regime in Manchuria made an attempt to develop aviation in Manchuria and Mongolia, in 1921. However, the warlords, engaged as they were in constant internal strife, could do little more than to provide an air force themselves. The creation of Manchoukuo which followed the Manchurian Incident changed the whole situation in this as in other spheres. The settlement of the aviation policy of the Government in August, 1932, was followed by the establishment in September the same year, of the Manchuria Aviation Company, a semi-official concern, with a capitalization of 3,850,000 yuan, to develop aviation in a regular and coordinated manner.

In conformity with the requirements of the situation the authorities regarding aviation as one of the important instruments of communication, made strenuous efforts at considerable financial sacrifice and in the face of personal danger to develop the infant air service in Manchoukuo. The reward for these efforts was the signal development of aviation in the new State. With the progress of the times, the Government of Manchoukuo addressed itself to the development of industry and economy. The Manchuria Aviation Company, in order to conform to this situation, had its capital raised to 30,000,000 yuan in 1939. With its financial position thus strengthened, the company is redoubling efforts to expand and perfect its services.

At the start of the aviation enterprise, aerodromes, facilities for the safety of navigation, etc., were also under the management of the Manchuria Aviation Company. But in order to enable the company to devote itself to the organization of the actual service and in view of the public character of airport facilities, etc., these establishment were transferred to the Department of Communications in April, 1939. During the same month, the Central Meteorological Observatory was also transferred to that Department.

Air Routes

In the manner stated above, the Manchuria Aviation Company organized the air service in Manchoukuo, which continued to make quick progress. At the close of 1940, the internal air routes exceeded 150,000 kilometres, connecting all important towns. Speaking of international air service, the route between Hsinking and Peking was opened in February, 1939, while the service between Hsinking and Keijo; Korea, was inaugurated in October the same year. In April 1941 a regular five hour direct service between Hsinking and Tokyo was inaugurated. The plane used on this route has accommodations for 11 passengers and 4 pilots.

CHAPTER XXIII

RAILWAYS

The total mileage of railways in Manchuria at the end of 1940 exceeded 11,500 kms. This compares with some 3,500 kilometers in 1915 and 5,572 kilometers in 1931, just prior to the establishment of the new state of Manchoukuo. An exceptionally rapid rate in the building of railways has been noticeable in the country within the last few years.

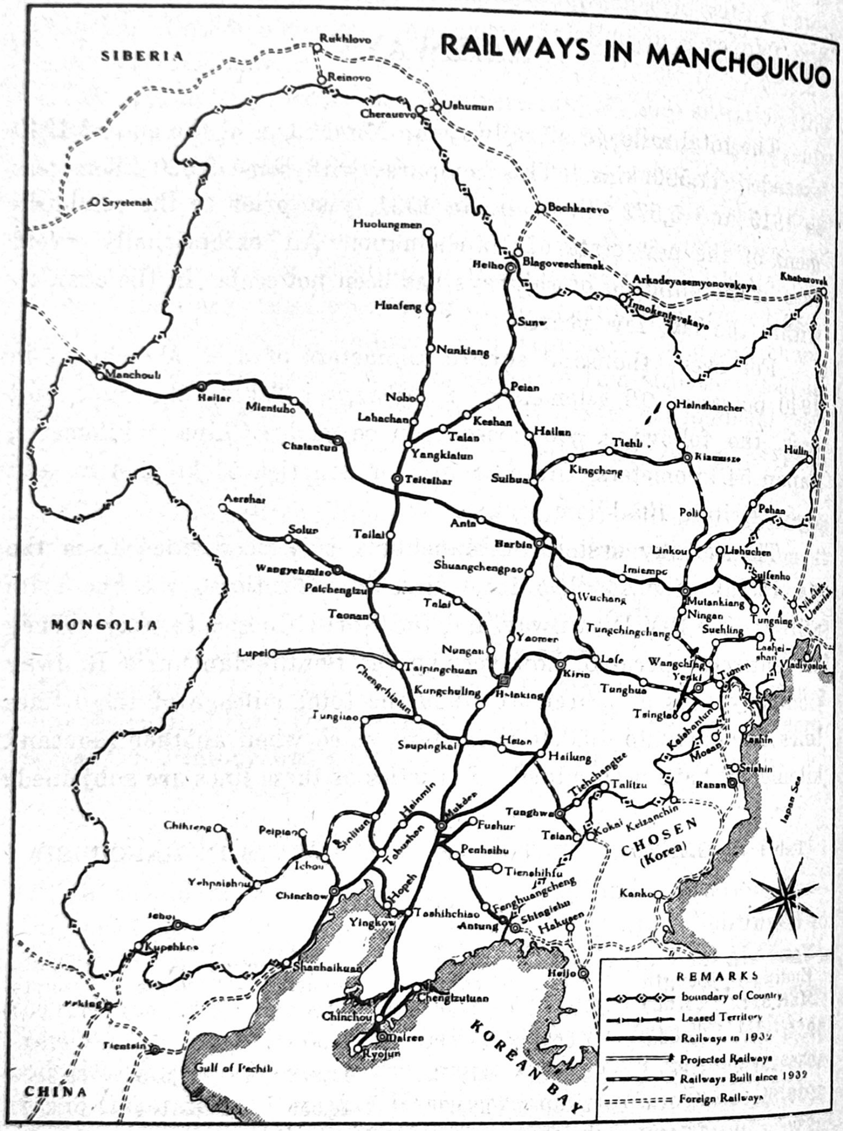
For every thousand square kilometers of area Manchuria in 1940 possessed 10 kilometers of railways. Taking the same unit base, the following comparison can be made: China, 1 kilometer, Japan 54 kilometers, United States of America 51 kilometers, and Great Britain 135 kilometers.

The railway system of Manchuria may be divided from the standpoint of ownership into three classifications, viz. the state railway, the S.M.R. railway and the North Chosen railway. They are entirely operated, however, by the South Manchuria Railway Company. As of March 31, 1939 the total mileage of these lines lines amounted to 10,000 kilometers, since when another thousand kilometers have been added. Statistics of these lines are subjoined:

Table 1. GENERAL STATISTICS OF RAILWAYS IN MANCHURIA

(A) State Line

Year Ending Mar. 31:	Length (Km.)	Passenger carried		Goods Carried		Total Receipts (M¥1,000)
		No. (1,000)	Receipts (M¥1,000)	Quantity (1,000 m. tons)	Receipts (M¥1,000)	
1934	3,403.0	7,869	14,711	8,918	36,080	50,791
1935	4,173.3	8,815	17,852	11,872	50,513	68,365
1936	7,207.0	13,280	28,678	14,956	69,104	97,782
1937	7,744.7	17,107	33,540	18,658	85,475	119,015
1938	8,182.9	19,818	41,561	21,050	101,805	143,366
1939	8,365.0	28,876	59,218	24,314	131,000	188,118


RAILWAYS IN MANCHOUKUO
SIBERIA
MONGOLIA
CHINA
CHOSEN (Korea)
KOREAN BAY
Gulf of Pechili
Japan Sea
Rukhlovo
Reinovo
Ushumun
Cheruaevo
Sryetensk
Bochkarevo
Huolungmen
Heiho
Blagoveschensk
Arkadeyasemyonovskaya
Innokentievskaya
Khabarovsk
Huafeng
Sunw
Nunkiang
Manchouli
Hailar
Mientuho
Noho
Peian
Lahachan
Keshan
Taian
Hailun
Yangkiatun
Chalantun
Tsitsihar
Suihua
Kingcheng
Tiehli
Hsinshancher
Kiamusze
Hulin
Aershan
Solun
Tailai
Anta
Harbin
Poli
Pohao
Linkou
Lishuchen
Wangyehmiao
Shuangchengpao
Imiempo
Suifenho
Paichengtzu
Talai
Wuchang
Mutankiang
Ningan
Nikolsk Ussurisk
Taonan
Tungchingcheng
Suehling
Tungning
Yaomer
Lupei
Nungan
Taipingchuan
Lafa
Wangching
Laoheishan
Vladivostok
Kungchuling
Hsinking
Kirin
Tunghua
Yenki
Tumen
Tsingte
Kaishantun
Tungliao
Ssupingkai
Hsian
Hailung
Mosan
Kaishin
Seishin
Tiehchengtze
Talitzu
Ranan
Chihfeng
Peipiao
Heinmin
Mukden
Tungbwa
Fushun
Keizanchin
Kokai
Taian
Ichou
Tahushan
Penhsihu
Yehpaishou
Chinchow
Tienshihfu
Hopeh
Fenghuangcheng
Jehol
Yingkow
Tashihchiao
Antung
Shingishu
Hakusen
Kanko
Kupehkou
Shanhaikuan
Heijo
Peking
Tientsin
Chinchou
Chengtzutuan
Dairen
Ryojun
REMARKS
boundary of Country
Leased Territory
Railways in 1932
Projected Railways
Railways Built since 1932
Foreign Railways

(B) S.M.R. Line

Year Ending Mar. 31:	Length (Km.)	Passenger carried		Goods Carried		Total Receipts (M¥1,000)
		No. (1,000)	Receipts (M¥1,000)	Quantity (1,000 m. tons)	Receipts (M¥1,000)	
1934	1,291.1	11,634	18,757	18,851	94,263	113,020
1935	1,291.1	13,786	20,333	21,671	101,489	121,822
1936	1,291.1	15,123	22,412	20,981	103,362	125,774
1937	1,291.1	15,750	22,302	21,366	103,165	125,467
1938	1,291.1	17,515	24,878	24,331	115,558	140,436
1939	1,291.1	21,030	33,940	26,420	135,089	168,039

(C) North Chosen Line†

Year Ending Mar. 31:	Length (Km.)	Passenger carried		Goods Carried		Total Receipts (M¥1,000)
		No. (1,000)	Receipts (M¥1,000)	Quantity (1,000 m. tons)	Receipts (M¥1,000)	
1934	344.4	747	507	519	1,134	1,641
1935	344.4	1,611	1,127	1,123	2,501	3,628
1936	344.4	1,718	1,175	1,474	3,351	4,526
1937	344.4	2,149	1,517	2,089	4,787	6,304
1938	344.4	2,441	1,770	2,433	5,842	7,612
1939* ...	344.4	3,060	2,370	—	8,080	10,450

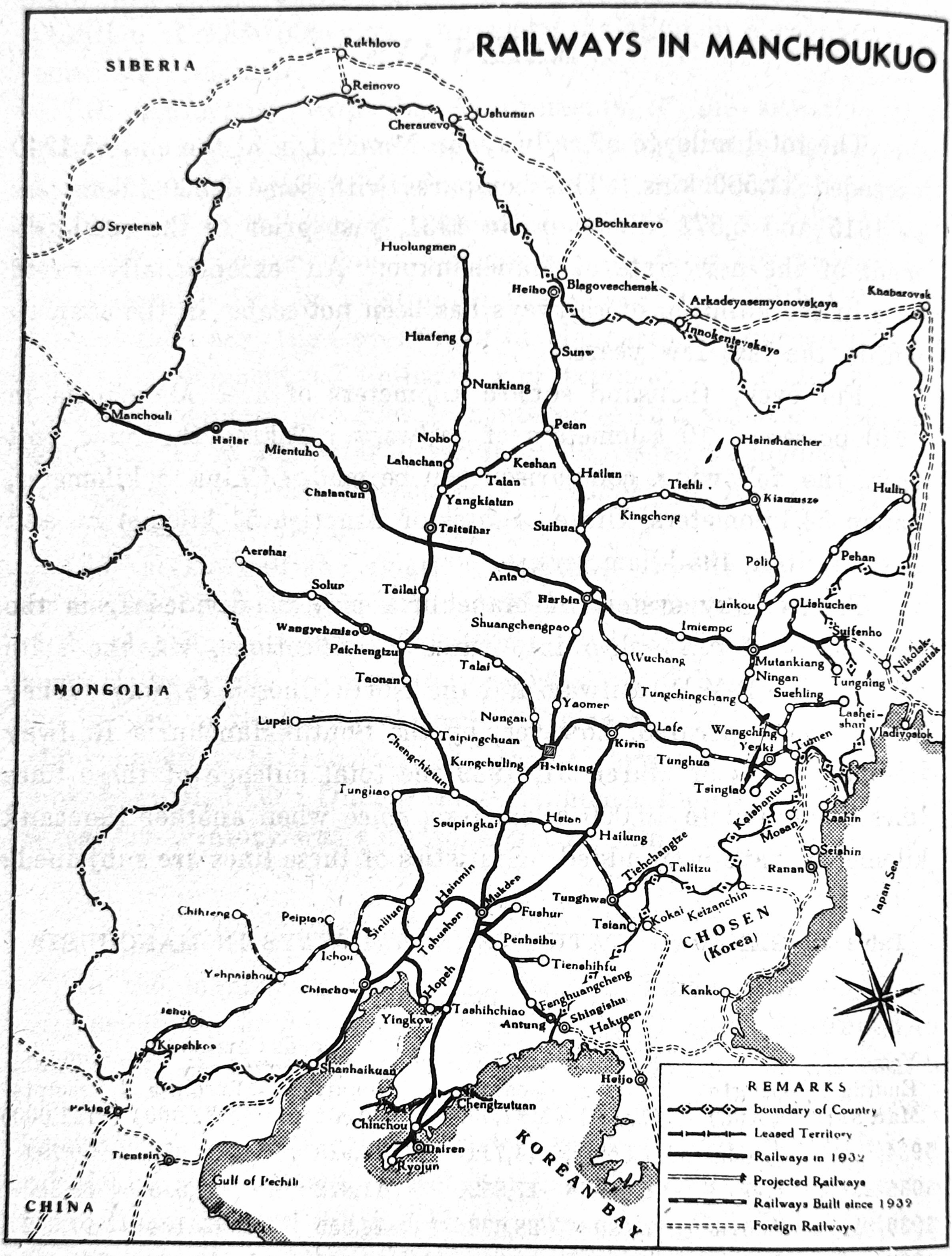
Note: * Estimates.

† The management of this line was entrusted in November, 1936 to the S.M.R. Co. in view of heavy expansions in through traffic between north Chosen and Manchuria.

Railways built prior to the establishment of Manchoukuo amounted in length to 5,572 kilometers, classified as follows:

Table 2. RAILWAYS BUILT PRIOR TO FOUNDING OF MANCHOUKUO IN 1932

Line	Length (Kms.)	Opened to Traffic
Koupangtzu-Hopei	91.1	1900
Mukden-Shanhaikwan	419.6	1908
Lienshan-Hulutao	11.9	1920
Chinlingshih-Peipiao	17.9	1924
Chinhsien-Chinlingshih	94.7	1924
Tahushan-Tungliao	367.1	1927
Mukden-Kirin	447.6	1929
Hsinking-Tunhua	338.2	1928
Suchia-Hailun	15.4	1928
Tsitsihar-Taian	127.8	1930
Ningnien-Laha	48.0	1930
Ssupingkai-Tsitsihar	571.4	1920



RAILWAYS IN MANCHOUKUO

SIBERIA
Rukhlovo
Reinovo
Ushumun
Cheraeuvo
Sryetensk
Bochkarevo
Huolungmen
Heiho
Blagoveschensk
Arkadeyasemyonovskaya
Khabarovsk
Innokentevskaya
Huafeng
Sunw
Nunkiang
Manchouli
Hailar
Mientuho
Peian
Noho
Lahachan
Keshan
Hailun
Hsinshancher
Taian
Yangkiatun
Chalantun
Tiehli
Kiamusze
Hulin
Kingcheng
Tsitsihar
Suihua
Aershar
Poli
Pehan
Anta
Solun
Tailai
Harbin
Linkou
Lishuchen
Wangyehmiao
Shuangchengpao
Imiempo
Suifenho
Paichengtzu
Talai
Wuchang
Mutankiang
Taonan
Ningan
Tungning
Nikolsk-Ussurisk
MONGOLIA
Suehling
Nungan
Yaomen
Tungchingchang
Lupei
Lafe
Lashei-shan
Vladivostok
Taipingchuan
Wangching
Chengchiatun
Kirin
Yenki
Tumen
Kungchuling
Hsinking
Tunghua
Tsingtao
Tungliao
Kaishantun
Rashin
Ssupingkai
Hsian
Mosan
Hailung
Seishin
Tiehchangtze
Ranan
Talitzu
Japan Sea
Hsinmin
Mukden
Tunghwa
Keizanchin
Chihteng
Peipiao
Sinlitun
Tahushan
Fushun
Tsian
Kokai
CHOSEN
(Korea)
Ichou
Penhsihu
Tienshihfu
Yehpaishou
Chinchow
Hopeh
Fenghuangcheng
Kanko
Jehol
Yingkow
Tashihchiao
Antung
Shingishu
Hakusen
Kupehkou
Shanhaikuan
Heijo
Peking
Chengtzutuan
Chinchou
Dairen
Tientsin
Ryojun
Gulf of Pechili
KOREAN BAY
CHINA
REMARKS
boundary of Country
Leased Territory
Railways in 1932
Projected Railways
Railways Built since 1932
Foreign Railways

Sungpu-Machuankou	7.4	1928
Yushutun-East Angangki	5.0	1929
Hsian-Shaho	67.3	1928
Paichengtzu-Wangyehmiao	82.9	1931
Hsinking-Harbin	242.0	1903
Harbin-Manchouli	934.8	1903
Harbin-Suifenho	546.4	1903
Harbin-Pachu Bund	3.0	1903
Harbin-Taoli Bund	4.0	1903
S.M.R. Lines	1,129.1	
Total	5,572.6	

State railways built from 1933 up to and including 1940 aggregated 5,000 kilometers and are classified as follows:

Table 3. STATE RAILWAYS BUILT FROM 1933 TO 1940

Section	Length (Kms.)	Opened to Traffic
Tunhua-Tumen	191.9	1933
Taian-Peian	102.6	"
Laha-Noho	38.8	"
Chaoyangchuan-Kaishantun	59.5	1934
Sankuoshu-Suchia	15.4	"
Hailun-Peian	106.0	"
Hsingsungpu-Sungpu	4.2	"
Lafa-Pinkiang	271.7	"
Pehan-Heiho	302.9	1935
Yehpaishoū-Chihfeng	146.8	"
Hsinking-Paichengtzu	332.6	"
Tumen-Linkou	359.7	"
Linkou-Mishan	170.9	"
Chinlingshih-Chengteh	341.4	1936
Wangyehmiao-North Hsingan	238.7	"
Ssupingkai-Hsian	82.5	"
Mishan-Hulin	165.5	"
Hsinliutun-Ihsien	63.0	"
Chiamussu-Chiamussu Bund	3.0	1937
Tunghua-Meihokuo	130.1	"
Noho-Meikenr	93.5	"
Poli-Chiamussu	135.3	"
Linkou-Poli	86.2	"
Tunghwa-Laoyeh	79.0	"
Suihwa-Tiehshanpao	54.2	1938
Wangching-Suehling	75.0	"
Jehol-Kupehkow	106.3	"

(Continued)

Section	Length (Kms.)	Opened to Traffic
Lungtanshan-Tafengman	22.7	1938
Mingshan-Newshintai	13.3	"
Kingcheng-Tiehli	101.9	"
Yangfeng-Tsian	13.8	1939
Tunghua-Manhu	125.3	"
Tungman-Tunghsiangfang	3.3	"
Suihua-Shenshu	135.8	"
Suiyang-Tungning	96.2	"
Chiamussu-Lienkiangkow	12.7	"
Kungyuang-Tienshifu	82.7	"
Lungtsing-Tsingtao	52.6*	"
Lienkiangkow-Hsingshanchen	56.0*	"
Harbin-Pakou	0.7*	"
Yayuan-Talitzukou	113.0	1940
Hsinhsing-Chengtzu	216.1	"
Moerhken-Holungmen	203.6	"
Total	5,000.4	

Note: * Private Railways purchased.

The briskness of business in Manchuria is reflected in part by the volume of goods hauled on the railways of the country. Mineral and agricultural products comprise more than half of the total amount of goods hauled as the following tables show:

Table 4. GOODS HAULED BY KINDS

(%)

Year ending March 31:	Agricultural products	Live-stocks	Forestry products	Aquatic products	Mineral products	Industrial products	Other goods	Total	Business goods	Office goods
1931	31.0	0.4	5.5	0.9	40.6	7.9	13.5	100.0	83.1	16.9
1932	40.0	0.3	3.7	0.7	36.6	7.8	13.6	100.0	85.5	14.5
1933	36.4	0.4	3.2	1.1	33.0	13.1	12.8	100.0	91.9	8.1
1934	24.5	0.3	8.1	1.0	38.2	15.2	11.3	100.0	88.0	12.0
1935	16.7	0.3	6.2	1.2	55.3	16.5	3.4	100.0	80.0	20.0
1936	16.2	0.3	6.5	1.0	54.0	13.0	8.4	100.0	80.5	19.5
1937	16.9	0.4	7.1	1.8	54.0	12.2	8.3	100.0	78.7	21.3
1938	16.2	0.4	7.4	1.5	45.8	14.6	14.1	100.0	87.2	12.8

Table 5. PRINCIPAL COMMODITIES HAULED

(Unit: 1,000 metric tons)

Year Ending Mar. 31:	Soya Beans	Kaoliang	Maize	Millet	Wheat	Other seeds	Bean oil	Bean cake	Total
1937	2,667	513	286	356	—	—	21	239	5,481
1938	2,643	573	393	293	563	1,116	24	322	5,926
1938:									
S.M.R.	586	172	77	126	1	451	10	139	1,562
Chinchow Ry. Bureau	46	181	70	51	0	174	1	17	539

(Continued)

Year Ending Mar. 31:	Soya Beans	Kao-liang	Maize	Millet	Wheat	Other seeds	Bean oil	Bean cake	Total
Kirin " ..	487	46	41	10	0	133	1	19	737
Mutankiang " ..	213	10	5	2	26	36	1	7	301
Harbin " ..	948	41	75	35	369	125	9	125	1,726
Tsitsihar " ..	337	123	125	61	165	158	1	14	984
N. Chosen Office ..	26	0	1	8	0	39	0	1	76

(Continued)

	Timber	Coal	Minerals	Cement	Wheat flour	Cotton yarns & tissues	Iron, Steel & Mfrs.	Gunny bags	Grand total incl. others
1937	1,560	11,169	—	568	486	129	1,119	129	36,408
1938	1,520	11,050	1,346	562	505	142	1,323	151	40,122
1938:									
S.M.R.	326	9,231	1,054	379	124	97	1,092	90	20,767
Chinchow Ry. Bureau	48	293	11	3	15	18	46	9	2,848
Kirin " ..	309	694	162	58	15	6	29	8	3,915
Mutankiang " ..	325	139	0	2	18	1	18	4	2,624
Harbin " ..	219	38	109	35	295	11	55	28	5,318
Tsitsihar " ..	114	57	1	2	34	3	17	11	2,929
N. Chosen Office ...	189	599	8	83	5	6	67	1	1,721

Historical

It is convenient to divide the history of railway development in Manchuria, that is from 1894 when the first line was built, up to the present time, into four periods or stages for our study. The First Stage centers around the construction of the Chinese Eastern Railway and the Peking-Mukden line. It also embraces the initial period of management of these lines (1894-1904). The Second Stage begins with the organization of the South Manchuria Railway Company and runs through the period in which branch lines were constructed by the Company (1905-1923). The Third Stage extends from the commencement of China's feverish campaign to recover railway rights to the period of railway construction by the Chinese (1924-1930). The Fourth Stage begins with the termination of the Manchurian Incident and ends with the present day (1931-1940).

Peining Railway (Peking-Mukden Railway)

The foremost pioneers among the railways when the railroad era dawned on Manchuria are the Peking-Mukden line and the Chinese

Eastern Railway. The C.E.R. was built by Imperial Russia to facilitate her advancement into the Far East, while the Peking-Mukden line was laid down by Great Britain to execute her policy of economic penetration. Both lines were constructed as a result of diplomatic victories of the two European powers over the Chinese Government, which took place at a time when the Ching Dynasty had already been destined to meet its downfall and when the western powers were making desperate effors to realize their respective imperialist designs on the tottering Celestial Empire.

In 1893, the Peining Railway (British capital) which is the oldest railway in China, having already constructed the line to Shanhaikwan, commenced work on the section beyond the terminal point within the Great Wall. The extended line had pierced Chinchou to Yingkou when the Sino-Japanese War broke out and put a stop to construction activities. When Russian influence began to penetrate southward following this war, the British decided to counter the Russian menace, and entered into a contract with the British and Chinese Corporation which called for the advancement of a £2,300,000 loan for the construction of the Manchurian line. Alarmed by the new situation, the Russian Government lodged a vigorous protest with the British Government declaring that the completion of the projected railway would jeopardize Russian interests in the region which Russia unilaterally considered as within the Russian sphere of influence. After a series of diplomatic negotiations, the Muravieff-Scott Agreement was concluded in 1899, by virtue of which, the spheres of influence of the contracting powers in China were clearly defined, and the construction of railways in Manchuria was recognized as within Russia's sphere of influence. However, Russia acquiesced in the extension of the Peining Railway beyond the Great Wall, on the ground that it was an acquired right of the British, with, however, certain reservations. In 1903, the line was opened to traffic as far as Tsinmin. The connection between Hsinmin and Mukden was constructed in 1907 and the entire stretch from Peking to Mukden (525 miles) was finally completed.

The Chinese Eastern Railway

This railway was built by Russia under the terms of the Treaty of 1896 signed between the Russo-Chinese Bank (later the Russo-

Asiatic Bank) and the Chinese Government. It consisted of the following sections: West section (Harbin-Manchouli 934.72 kilometers, East Section (Harbin-Suifenho) 549.06 kilometers, and (3) the South section (Harbin-Changchun) 238.46 kilometers. Harbin shuntings (three sections) 11.27 kilometers, and the feeder line to the Dalainor coal mines, a length of 18 kilometers were also included in this network. All the foregoing were of five feet or 1.52 meter gauge and were completed within five years of the start of construction.

The Chinese Eastern Railway Company obtained from the Chinese Government besides the railway rights the following additional privileges: (1) Right to the railways, (2) Navigation rights on the Sungari river, (3) Right to acquire lands in the railway zone, (4) Right to operate mines, (5) Timber rights, (6) Right to build telephone and telegraph lines and to operate them, (7) Postal rights, (8) Judicial rights, (9) Exemption from taxation (Chinese Government), (10) Administration rights in the railway zone.

Two years after the signing of the agreement for the creation of the Russo-Chinese Bank, Russia in March, 1898, obtained another treaty from China, which concerned the leasing of the Liaotung peninsula for a period of 25 years. Hereupon Russia advanced a trunk line of the Chinese Eastern Railway to the sea-shore at Port Arthur.

By July 1, 1903, these railways were already operating for general traffic. The capital invested in this railway system including building, repairing and maintenance up to the beginning of 1932 was 412,105,899 gold roubles, exclusive of the funds advanced by the Russian government to cover the deficits of the first few years of operation.

The work of construction moved almost from the very first day with great speed and unfalteringly until the outbreak of the Boxer Trouble, in 1900, notwithstanding the very unsatisfactory conditions then prevailing against the carrying out of such a gigantic undertaking. These conditions were: the lack of education and technical skill of the labourers, absence of prices and detailed information on the topography of the terrain, and the extreme difficulty of settling the country and of obtaining the necessary foodstuffs for the crews and labourers since nine-tenth of the territory was wilderness.

Added to the foregoing was the great topographical difficulty which had to be overcome, such as piercing the Great Hsingan range for a distance of three kilometers to reach the eastern side of the big range, and on the eastern section of the line at such places as Daimagou and Laoerhlin and other ranges across which the railway was carried. Practically the entire route along which the railway was built was far from local trading centers. This fact is explained in that the route was chosen not with the slightest thought of the future economic welfare of the country, but rather as the shortest distance from Siberia to the Pacific Ocean.

The total length of the Chinese Eastern Railway system after the conclusion of the Russo-Japanese War was shortened by almost one-third, this being brought about by the cession to Japan of more than three quarters of the southern trunk line from Harbin to Port Arthur together with the branch line to Dalny (Dairen). There now remained only one sea-port at the disposal of the C.E.R., Vladivostok where the railway administration managed to lease a large tract of land (At Egersheld) on the seaside near that port city and later was given the management of the Ussuri railway systems. This management of the Ussuri railways was revoked and resumed by the Siberian authorities in 1920.

As a direct aftermath of the Russian Revolution and the World War, extensive and important changes in the juridical rights of the Chinese Eastern Railway were brought about. At first, the railways came under the direct control of an International Railway Committee created during the period of the international intervention in Far Eastern Russia during the revolutionary period. In 1920 a meeting was called in Peking of the shareholders of the Russo-Asiatic Bank, which had its office in Paris. It was attended by a representative of the directorate of the Chinese Eastern Railway. At this meeting it was decided to draft a new working arrangement with the Peking Government. Under this arrangement a new directorate for the Chinese Eastern Railway was formed, on which four directors were appointed by the Chinese Government and one by the shareholders of the Russo-Asiatic Bank. Later, with the signing of a treaty between China and Soviet Russia in 1924, esablishing diplomatic relations, the administration of the C.E.R. was given to equal representation and joint management.

Under this treaty a notable change was made in one of the terms of the 1896 contract, respecting the date of surrender of the Manchurian railways to China by Russia. According to the terms of the 1896 contract Russia agreed to surrender her entire railway interests within the Manchurian territory by 1983 and that China was to have from 1939 the option to buy the Russian railway rights if she so desired. Under the 1924 treaty Soviet Russia agreed to shorten the period of concessional rights over the railway by 20 years, in other words Russia agreed to surrender her entire railway interests in Manchuria by 1963 instead of 1983.

The Chinese Eastern Railway quickly commenced to feel the immediate effects of the building of new railway lines in 1931, such as the connecting link joining the Tsitsihar-Keshan railways with the Sssupingkai-Angangchi line. The lines tapped almost all the cereals and other raw products of this region, formerly handled exclusively by the Chinese Eastern Railway. Among other new lines in North Manchuria which gave keen competition to the C.E.R. was the Hu-Hai line to the east of the western section of the Chinese Eastern Railway. This new line, though it gave all its freight for trans-shipment to the latter system at Harbin, was a very important competitor both for freight and passenger traffic against such C.E.R. stations as Anta, Mangou and a few others.

During its 30 years of existence, commencing from its official opening on July 1, 1903 until the time of the transfer by Soviet Russia to Manchoukuo this railway system had freighted the following total tonnage of commercial products and other raw materials.

Period	Metric tons
1903-1907	1,430,000
1908-1913	5,894,500
1914-1920	11,858,400
1921-1932	46,065,000
Total	65,247,900

Note: The first period covers the Russo-Japanese War; the second period is from the Russo-Japanese War to the outbreak of the World War; the third period includes the World War, the Russian Revolution and the Russian partisan wars; and the fourth period comprises the years following to the establishment of the State of Manchoukuo.

The exact figures of commercial freight transported by the railways for the last five years of the fourth period were: 740,000 metric tons in 1928; 677,800 tons in 1929; 523,400 tons in 1930; 271,200 tons in 1931 and 372,400 tons in 1932. The earnings of the C.E.R. increased year by year in its first 30 years of existence, but from 1931 began to decline as the direct result of the appearance of new competitive lines tapping the vast natural resources and farm products of North Manchuria. These new competitive lines at present have cut the east and west trunk lines of the C.E.R. at three points: Mutankiang, Harbin and Tsitsihar. With the constant advent by new railways in North Manchuria the C.E.R., the prototype of all Manchurian railways, gradually commenced to lose a growing percentage of freight haulage, with the possibility that in the not too distant future the railway system would lose entirely its original character of being the principal railway system of North Manchuria and as a result of the several additional lines cutting across the original line would be divided into many short sections which would become mere feeders to these new railways.

All the foregoing lines have been narrowed from five feet to four feet 8½ inches after the transfer of the lines to Manchoukuo. The first section to be altered was the Hsinking-Harbin section. This was done within three hours early Sepember 1, 1935. The other sections were narrowed piecemeal until the whole was accomplished by the summer of 1936.

The South Manchuria Railway Company

The South Manchuria branch system of the Chinese Eastern Railway, which began to operate in July, 1903, or about the same time with the main line, was composed of (1) the S.M.R. branch line (Harbin to Port Arthur), (2) the Dalny branch (Choushuitzu to Dairen), (3) Liuchiatun branch (Tafangshan to Liushutun), (4) Yingkou branch (Tashihchiao to Yingkou), (5) Yentai branch (Yentai to Yentai coal mines), and (6) the Fushun branch (Suchiatun to Fushun). With the outbreak of the Russo-Japanese War, the Japanese troops which had been stationed in Korea, crossed the Yalu River into Antung-hsien, and from there constructed a light-track military line to Mukden (a length of 180 miles) which was completed by the end of 1940. After the war was terminated, this line was placed under the ownership of Japan.

There is an interesting episode in connection with the establishment of the South Manchuria Railway Company. The United States Government, which had decided to acquire rights and interests in China, late as it was, with the principle of the Open Door and Equal Opportunity enunciated by Secretary of State John Hay in 1899 shielding her intentions, sought to purchase the S.M.R. in order to gain commercial rights and a foothold on the Asiatic continent, by utilizing the gratitude toward the services which America had given in bringing together the representatives of the warring states at Portsmouth. Lloyd C. Grisscom, then the Ambassador to Tokyo, envisaged a grand future for American expansion in this part of the Far East. He developed the belief that America's influence in the Far East must be expanded, her commercial rights must be pushed and the vast transportation system traversing Manchuria, Siberia and Europe should be placed under American influence or control. In order to carry out this gigantic over-ambitious plan, the Chinese Eastern Railway must first be purchased, the S.M.R. must be vested in American hands, and finally, the Trans-Siberian Railway running toward Europe must be acquired. At any rate, Ambassador Grisscom entreated Mr. E. H. Harriman, who was then the king of American railroad industry and president of the transcontinental, the Great Northern, to visit Japan with this specific purpose in mind. Since Japanese finance was in a none too pleasant situation, there were certain groups in Japan that advocated the placing of the S.M.R. under a joint Japanese-American management, but due chiefly to the vigorous opposition made by the then Foreign Minister, Jutaro Komura, participation of American capital in the operation of the S.M.R. was totally rejected, and the railway became a purely Japanese undertaking. If the enterprising Mr. Harriman had succeeded in buying over the S.M.R., there is no doubt as to the altogether different course which the history of the Far East would have taken.

In accordance with the provisions of the Treaty of Portsmouth signed on September 5, 1905, Japan inherited from Russia the Changchun-Port Arthur line which was a part of the C.E.R. branch line, together with branches of this line, all rights, special rights and coal mines attached thereunto. For the purpose of operating this railway system, the S.M.R. Company which began operations on April 1, 1907, was organized. At the time of its organization, the S.M.R. Company was capitalized at ¥200,000,000. The South Manchuria Railway Company was a railway firm, but its actual work included a number of various industries having something to do with the development of Manchuria and Mongolia, though practically all of them depended upon the railway industry in one form or another. The primary aims in carrying out the mission of development were:

(1) To encourage industries and enterprises necessary to the development of Manchuria and Mongolia by inviting Japanese technique and capital. (2) Since the conditions and situation in Manchuria and Mongolia were not well known to the Japanese market at that time it was considered more desirable and convenient for capitalists to have the S.M.R. with its strong financial foundation to invest in development enterprises, than the direct participation of Japanese capital. (3) The management of enterprises dependend upon railways during the initial stage by the S.M.R. Company, was considered most efficient and important.

In conformity with the above principles, the S.M.R. Company pursued the policy of engaging directly in various enterprises.

The South Manchuria Railway Company was formed under Imperial Ordinance No. 142 of June 7, 1906, and a Government order dated August 1, 1906. The articles of association were passed at the general meeting of shareholders on November 22, 1906, in which were prescribed the status of the corporation, its business functions, etc. The Imperial Ordinance relating to the establishment of the concern provided:

(1) That a joint-stock corporation named the Minami Manshu Tetsudo Kabushiki Kaisha (South Manchuria Railway Joint-stock Company) shall be organized for the purpose of engaging in railway transportation business in Manchuria; (2) That the share of the Company shall be registered and owned only by the Japanese and Chinese Government or by their nationals; (3) That the Japanese Government may offer as part of the capital its railways in Manchuria, coal mines and appurtenances obtained in 1905 from Russia by the Treaty of Portsmouth and approved by China in virtue of the Peking Treaty concluded the same year; (4) That the President and Vice-President shall be appointed by the Government, and that the directors shall be elected from among shareholders at the general meetings of shareholders; (5) That to matters relating to the Company not provided for by this ordinance the provisions of commercial law shall be applied.

The present head of he South Manchuria Company is Mr.

Takuichi Omura, who was appointed in 1939, upon the resignation of Mr. Yosuke Matsuoka. The names of the successive presidents of the Company are the following: (1) Baron (later Count Shimpei Goto, (2) Korekimi Nakamura, (3) Ryutaro Nomura, Dr. Eng., (4) Baron Yujiro Nakamura, (5) Shimbei Kunisawa, Dr. Eng., (6) Ryutaro Nomura, Dr. Eng., (7) Senkichiro Hayakawa, (8) Takeji Kawamura, (9) Ban-ichiro Yasuhiro, (10) Jotaro Yamamoto, (11) Mitsugu Sengoku, Dr. Eng., (12) Count Yasuya Uchida, (13) Count Hirotaro Hayashi, (14) Yosuke Matsuoka, (15) Takuichi Omura.

Period from 1924-1931

The world-wide racial movement that was launched after the World War, also had a considerable effect upon China from where it spread into Manchuria, and transformed into an active movement for the recovery of railway rights. As a result, China's campaign to build railways with her own technique and capital soon engulfed the whole of Manchuria. The Chinese Eastern Railway which had been badly weakened by that time, became that initial Chinese objective, and due to the pitiful state of internal conditions, the C.E.R. was unable to prevent the realization of the aims entertained by the former Chinese regime in Manchuria. Encouraged by the impotent reaction of the Russians, the Chinese local authorities combined forces with the Central Chinese regime and directed their ambitious attention at Japan. The enterprises and everyday life of Japanese and Chosenese residents of Manchuria were made to suffer, and the S.M.R. was tendered a serious threat when the Chinese began to carry out their policy of encircling the S.M.R. and of squeezing the economic value and life out of it. The Transportation Committee of the Northeastern Regime strongly advocated the carrying out of their wily plan in its report in the following phraseology:

> There is no other way to keep the Chinese Eastern Railway and the South Manchuria Railway in check than to complete our railway construction plan, but first of all, the South Manchuria Railway system must be curtailed since it is the most important railway system in Manchuria, while at the same time, the Chinese Eastern Railway must be severed, and connected with the Peining Railway at the terminal (Hulutao) of which a first-class port must be built as an assemblage and shipping point of export commodities. This will not only crush the South Manchuria Railway, but will also have a serious effect upon the Chinese Eastern Railway.

The lines that were speedily constructed and which form a part of the present day Manchoukuo State Railways, are the Tahusan-Tungliao (completed in 1927), Mukden-Kirin (completed in 1929), and Tsitsihar-Taian (completed in 1930) lines. In addition, the contract for the construction of the port of Hulutao was granted to a Dutch concern in 1930. Under such circumstances, there was no hope for abating Sino-Japanese diplomatic controversies, while the acute situation soon developed into a serious political problem, and the policy of driving out the Japanese, became more effective with the passing of each day until on September 18, 1931, the charge leading to the Manchurian Incident was finally ignited.

Period from 1931-1940

This period accounts for the years following the Manchurian Incident. Simultaneous with its foundation, the Manchoukuo Government declared that all railway hitherto under the supervision of the Northeastern Regime would be designated as state owned, and placed them under its management. Regarding the matter, the Manchoukuo Government arrived at the following conclusion:

> In order to maintain peace and order and to carry out industrial development, the adjustment and development of transportation facilities, especially railways, are urgent requirements. At the present time, the railway system is very inadequate, and there are a number of small independent railway companies which render unified management inconvenient. Therefore, since it is difficult to unify these independent railways, to carry out rational management, and to expect the highest economic and technical efficiency, it is considered most appropriate to entrust unification and management of railways and the carrying out of various aims to the South Manchuria Railway Company which has a long, commendable history of railway management in Manchuria behind it. This arrangement will also be beneficial to both the Manchoukuo Government and the South Manchuria Railway Company since it will facilitate liquidation of enormous liabilities of the Manchoukuo Government to the South Manchuria Railway Company.

In line with the above opinion, a contract was drawn up between the South Manchuria Railway Company and the Manchoukuo Government on February 9, 1933, by virtue of which, the former was entrusted with the management of all State Railways, supervision of water traffic on the Sungari, and various subordinate enterprises. Consequently, the South Manchuria Railway created the General Directorate of Railways (Mukden) on March 1, 1933, to manage the various facilities and to meet the demands of the new situation.

The lines transferred over to the General Directorate of Railways from the Department of Transportation of Manchoukuo, number 17 in all or 2,949.6 kilometers in length, which were formerly under the supervision of 9 railway directorates, namely, Mukden-Shanhaikwan, Mukden-Hailung, Kirin-Changchun, Kirin-Tunhua, Hulan-Hailun, Tsitsihar-Koshan, Taonan-Anganchi, Taonan-Solun, and Ssupingkai-Taonan. Adjustment of loans contracted with the British and Chinese Corporation by the former regime in connection with the construction of the Mukden-Shanhaikwan Railway, was also taken over by the General Directorate of Railways. Only the North Manchuria Railway (formerly the Chinese Eastern Railway) of 1,730.9 kilometers continued to display a peculiarity through its joint Manchoukuo-Soviet Russian management, but this railway became a part of the State Railways of Manchoukuo in March, 1935, upon successful completion of diplomatic negotiations. Prior to this event or in September, 1933, the North Chosen Railway (Chosen Government Railway) 344.4 kilometers in length and all appurtenant enterprises thereof, were entrusted to the South Manchuria Railway Company.

With this new arrangement, the entire railways system of Manchoukuo was unified for the first time under the management of the South Manchuria Railway Company.

Immediately following the advent of Manchoukuo, in March, 1932, the Government issued a declaration announcing the adoption of the First Stage Economic Development Program and its intentions to expand port and harbor facilities, river navigation facilities, and communication facilities, and stated that "the landmark of State-owned railways in the future will be the attainment of a 15,000 kilometer-long system."

The railways under the ownership of the South Manchuria Railway Company totalled 1,129 kilometers in 1939 and are classified as follows:

Table 6. SOUTH MANCHURIA RAILWAY LINES

(At end of Aug., 1939)

Lines	Distance	Working mileage (kilometers)	Gauge (Feet)	No. of stations
Dairen Line	Dairen-Hsinking	704.3	4.85	74
Antung Line	Antung-Suchiatun	260.2	4.85	27
Port Arthur Line	Choushuitzu-Port Arthur	50.8	4.85	5
Fushun Line	Suchiatun-Fushun	52.9	4.85	6
Yentai Colliery branch line	Yentai-coal mines	15.6	4.85	—
Other branch lines		22.9	4.85	2
Total		1,129.1	—	115

DESCRIPTION OF MINOR RAILWAY LINES

Ssupingkai-Tsitsihar Railway

The Ping-Tsi railway connects Ssupingkai with Sanchienfang (Angangchi) by way of Taoan and consists of what were formerly the Ssu-Tao (Ssupingkai-Taoan) and the Tao-Ang (Taoan-Angangchi) lines. Construction of the section between Ssupingkai and Taoan was divided into three stages, namely the first stage connecting Ssupingkai with Chengchiatung, the second, from Chengchiatung to Tungliao and the third from Chengchiatun to Taoan.

The line between Ssupingkai and Chengchiatung was started in April, 1917, the funds for its construction being provided by a loan made to the Chinese Government by the Yokohama Specie Bank in December, 1915. The line was completed in December, 1917.

The negotiations for constructing the line from Chengchiatung to Tungliao and from Chengchiatung as far north as Taoan were carried out in September, 1919, between the Chinese Government and the South Manchuria Railway Company. Construction of the Chengchiatung Tungliao (Cheng-Tu) line was begun in April, 1921, and completed in January the following year. Construction of the Chengchiatung and Taoan (Cheng-Tao) line was begun in September, 1921, and was completed in November, 1923. The loan advanced by the Yokohama Specie Bank, which was ¥5,000,000, has since been refunded by the Chinese Government. The aggregate loan advanced by the South Manchuria Railway Company for the same purpose to the Chinese Government amounted to

¥32,000,000, including the ¥10,000,000 of the first issue. These loans remained unrefunded up to the outbreak of the Manchurian Incident (Sept. 18, 1931). In December, 1931 the Ssu-Tao Railway administration recognized its debts, amounting to ¥49,000,000, following the approval obtained from the Fengtien Provincial Government and the New Northeastern Communications Committee and entrusted the supervision of the entire line to the South Manchuria Railway Company.

The section from Taoan to Sanchienfang (Angangchi) was completed in July, 1926. A Russian attempt to secure the control of the construction through the medium of Belgian interests was frustrated in 1913. In 1924 the administrations of the Three Eastern Provinces and the South Manchuria Railway Company reached an agreement whereby the latter Company obtained the right to construct the line at a cost of ¥12,920,000. The loans for this railway remained unrefunded by the Chang regime until the outbreak of the Manchurian Incident.

Tsitsihar - Keshan Line

This line was given the important role as a feeder to the Ssupingkai-Angangchi Railway and it was to take all staple products from the rich Tsitsihar and Anding districts—in particular from Noho, Yian, Keshan, Baitzuan, Lintien, Lungchiang and other points—from which places the Chinese Eastern Railway had so far monopolized transport of cereal products. The other important factor for this northern line, besides acting as a commercial freight feeder to the southern railways was to aid in the completion of a long desired and projected railway to Heiho.

The construetion of this Tsitsihar-Keshan railway was taken into hand in 1928. By the end of January, 1930, the line was completed as far as Tai-an chen and this section was shortly after opened to commercial traffic. In this year (1930) a branch feeder was constructed as far north as Lahachen from Ningnien and in the period between 1932-1933 the main line was completed to Keshan. The Tsitsihar-Keshan line crosses the Chinese Eastern Railway tracks some four kilometres from the C.E.R. station of Tsitsihar (Angangchi).

Objection to the extension of the Tsitsihar-Keshan line to connect with the Ssupingkai-Angangchi line was raised by the Chinese Eastern Railway administration, who claimed that such an extension was a flagrant violation of the 1896 agreement wherein China agreed that no railway should cut across the Chinese Eastern Railway. As a result, the Chinese railway connecting Angangchi with Tsitsihar was at first not made, but as an agreement had been reached in July, 1928, between the Chinese Eastern Railway administration and the Chinese Government, the connection was carried over the Chinese Eastern Railway tracks about four kilometres to the east of the railway town of Anganchi. This took place in December of the same year. In the Chinese Eastern Railway station freightyard at Angangchi a shunting line was laid by the Chinese railway administration to facilitate transfer of freight from the cars of the former railway to the those of the latter and vice versa.

As already mentioned, a branch line was built from Ningnien northward as far north as Lahachen, a distance of some 48 kilometres and in December, 1933, this section was extended as far north as Noho, almost 39 kilometres still farther north. Another 93.5 kilometres was added to this section by making the city Nenchiang (Mergen) a very important cereal collection mart of Heilungkiang province, the present terminal point of the northward advance of railway communication.

Harbin - Heiho Line

In November, 1935, the first iron-horse, after having almost burst lungs in going over the Little Hsingan range, rolled into the station of Heiho, opposite Blagoveschensk, on the Amur river and a distance of 303 kilometres almost due north from Peian. Heiho today boasts the distinction of being the most northerly railway station in Manchoukuo.

This railway comprises the following sections, Harbin via Sungpu, on the other side of the Sungari river, through Hulan to Hailun. This section is known as the Hu-Hai line, the section between the cities of Hailun and Peian forms a link with third section, the Peian-Heiho line. The completion of this railway to Heiho thus fulfills the dream of that English railway constructional firm, Pauling, which in 1909 had projected the Chingchow-Aihun railway; Aihun is a river port on the Amur, and is a little to the south of Heiho. The construction of the Pauling line would have paralleled the South Manchuria Railway in the south, also the entire south trunk line and a part of the western section of the former Chinese Eastern Railway, cutting the latter line somewhere near where the present Angangchi-Tsitsihar line crosses the former Russian owned railway. This was why the English project ended in a fiasco.

Taheiho, or as is more generally known, Heiho, though situated far in the north is another wealthy granary of Manchoukuo for in that district soya beans, wheat and other cereal products are most abundantly grown and garnered yearly. Besides, it is the most important centre of that northern territory for timber and mining industries.

The Pin-Pei Railway consists of two lines, one running from Pinkiang (Harbin) to Hailun and the other from the latter city to Peian. There were two plans for constructing the section from Harbin to Hailun. They had been under consideration since the Russo-Japanese War and a Construction Board was established in 1911. Due to the revolution in China in that year work on the line was shelved.

The question of constructing the railway from Harbin to Hailun (Tungken), passing through Hulan and Suihua hsien was several times considered by the Tsitsihar Constructional Committee in 1909. Through careful consideration of this question a project was finally formulated, and a basis laid down. However, it had become clear that the construction of the said railway called for a huge outlay of funds and to obtain such funds immediately was out of the question. So the members of the Committee agreed to pigeon hole the construction of the railway until more propitious times.

In 1910 the question of this railway was once again brought up at the conference of the Heilungkiang provincial government. This conference, after a most careful study of the plans submitted by the Tsitsihar Constructional Committee, decided to build the railway from Harbin to Hailun on the projected plan as worked out by the Constructional Committee.

The Constructional Committee in its project and report showed that the construction of the said line would be most beneficial and profitable. The plans called for a narrow gauge line, seeing standard gauge would be far too costly for them, thus proving the scheme to be beyond their means, while to obtain such funds summarily time was thought not feasible. In such a case the construction of the projected railway would have to be shelved. This delay they were not ready to accept, hence the decision for a narrow gauge railway. The project of this railway was divided into four sections:

(1) To start from Machiachuankuo, on the left bank of the Sungari opposite Fuchiatien, or from L[illegible]chingshan on the Chinese Eastern Railway through Hulancheng to the village of Singlungpu (Singlungcheng).

(2) To continue from Singlungpu to the city of Suihua in Suihua hsien.

(3) To carry on from Suihua to Hailun (Tungken) in Hailun hsien. The total length of the three sections is 420 li (a li is a little less than a third of a mile).

(4) To commence at Hailun to connect up with the projected Chingchow-Aihun railway, already mentioned, about 400 li from this terminal station.

Because of the great interest shown in this provincial projected railway by the press of China, Japan and Russia and others, the Chinese Government at Peking was obliged to interest itself. So in March, 1914, the Central authorities despatched their own engineers (all Chinese) to make detailed surveys of the terrain for which this Hu-Hai line was to be built. The surveys were made from Machiachuankou, opposite Fuchiatien, on the Sungari, to Hulancheng; from Hulancheng to Suihua and from there to Hailun, the whole covering a distance of about 240 kilometres. The survey undertaken by these Chinese engineers almost paralleled the overland cart road from opposite Harbin to Suihua.

From Suihua the surveyors went further away from the overland cart road connecting the cities of Suihua and Hailun. The selected route lay further eastward and over more hilly terrain and touched the city of Sifengtai, situated 36 kilometres north-east of Suihua. That the survey swung so far eastward was motivated by the economic reason that the railway for half the year would carry staple products of the locality traversed and in the other half would transport timber and other raw materials. By thus bringing the railway near the bases of the mountains a great impetus would be given to exploit most economically the mineral and forest wealth.

The decision of the surveying engineer was wholeheartedly supported by the magistrate of Suihua hsien who saw that it would develop such important produce centers as Shangtzechen, Shuanghocheng and Yuchingshian. However, a great obstacle was placed by the magistrate of Hailun prefecture against the railway engineer's projected route. He based his action on the argument that he knew much better the territory the railway should traverse and though his plan would bring the railway much more to the west, the important farming centers would thus be served. According to the magistrate the line should run from Suihua to Wangkueichen and from there to Lunghochen, and finally to Hailun. This route would offer more level ground than that selected by the railway engineer, and would call for only five bridges across the Hulanho and the Maokungho and three others, almost canal-like in size. On the other hand the projected route selected by the engineer would traverse very hilly terrain, and several bridges were required to span large rivers, among them the Hulanho, Nomingho and Keyihgho.

Besides proving most conclusively that by his plan the railway could be more easily and therefore more speedily constructed, and also with less expenditure, the Hailun hsien administrator pointed out the great economic role such a railway would play. It would tap such important wheat farming and trading centers as Wangkueichen, Lunghochen, Chinganshian and Baishuangshian. Also with rail connections to these centers these localities would be made more attractive for settlers. In the matter of earnings, all the wheat export formerly hauled to such stations as Duichingshan, Mangou, Sung and Anda, on the Chinese Eastern Railway, would be routed over this new line. Such a line would be certain of freight all year round, for the territory tapped is the center of the wheat producing area. The route projected by the engineer would skirt the eastern fringe of this wheat belt and would serve such poor and hilly farming districts as Chingchengshian and the rugged and barren district of Teshanbao. As for colonizing, there was virtually no hope for this route. The Central Government had in 1910 attempted to colonize this district, but the effort ended in fiasco. This was due to the fact that the immigrants were most unwilling to be settled in that locality, claiming that the water was fatal to infants and adults alike.

According to the Hailun prefectural administrator it was hopeless to believe that any volume of timber would ever come from that hilly region. He further reasoned that all timber and logs from those hills would be speedily used up by the local inhabitants and the new colonist settlements for building material and fuel. Even if there should be any export trade in timber from those hills the magistrate claimed it would be far cheaper to have short trolley lines built as feeders to the railway instead of bringing an expensive main line to this unprofitable region.

As already mentioned, the outbreak of the Chinese revolution in 1911 forced the suspension of the construction of this railway. Two plans had been submitted, one that advanced by Heilungkiang province and the other submitted by Russia, calling for joint construction and management of the railway.

In that year the Chinese Government got approval for a loan from the Russo-Asiatic Bank for the construction of the line not only to Hailun but as for as Heiho on the Russo-Manchurian border. The construction failed to materialize, however, due to objections raised by China on mutual supervision of the line and due to the Revolution. In 1925 Wu Chun-sheng, the Governor of Heilungkiang province, proposed the building of the section between Hulan and Hailun and established an organ known as the Hu-Hai Railway Company, capitalized at 10,000,000 yuan. Construction of this line was actually begun in 1926 and completed in December, 1928.

In September, 1934, the connection was made via the new Sankoshu-Suchia line 15.4 kilometres in length, thus bringing Harbin into direct railway communication with Hailun. Another short stretch was completed in the same period from Hulan to Sungpu on the north bank of the Sungari, a distance of 4.2 kilometres.

The stretch between Hailun and Peian consists of a section of the Hai-Ke Railway which connects Hailun and Keshan. The completion of the Hai-Ke line was effected in December, 1933. Since then the Hu-Hai railway and the line between Hailun and Peian have been incorporated in the Pin-Pei (Pinkiang-Peian)

Railway. The importance of the Pin-Pei railway is greatly enhanced through its connection with the Harbin-Lafa line. The present Hu-Hai line is a compromise, for it is brought more to the west than the one projected by the Government engineer, yet somewhat to the east like that projected by the Hailun prefectural administrator.

The Lafa-Pinkiang (Harbin) line serves the vast fertile plains to the south of Harbin until the town of Wuchang is reached, situated approximately mid-way along this line, from whence the railway traverses rather hilly country until Lafa is reached, a distance of 271.7 kilometres from Harbin. This line acts as one of the principal feeders for commercial freight for the Hsinking-Tumen line of 530 kilometres, which latter line is connected by the North Korean railways to the north Korean seaports of Rashin, Seishin and Yuki.

Tumen-Chiamussu Line

Tapping the territory known to possess rich mineral wealth and very fertile plains, the Tumen-Chiamussu railway, 581.2 kilometres, cuts the eastern section of the former Chinese Eastern Railway at Mutankiang. It was built in three sections. The first section of 359.7 kilometers, built and completed in July, 1935 covers the stretch from Tumen, on the Manchoukuo-Korea border, to Linkou, about 110 kilometres north of Mutankiang, by carrying the rails overhead of the Harbin-Suifenho line.

The next section is that which connects Linkou with Poli. A distance of 86.2 kilometres separates these two important inland cities. The final section of 135.3 kilometres, connecting the rich mining city of Poli, also noted for agricultural products, with Chiamussu, an important commercial port on the lower reaches of the Sungari river. The last two sections were completed in July, 1937, the former going northwards from Linkou and the latter coming southwards from the river port, both works being undertaken at about the same time.

The commencement of regular traffic over the entire length of the Tumen-Chiamussu railway was of great importance, commercially, politically and strategically, in the rapid development of the northeastern districts of Manchoukuo. The Tumen-Chiamussu Railway has two branch lines, one on its lower reaches and the other in its mid-section. The former goes as far as Suehling and the latter to Hulin, a river port on the Ussuri river. This strategically, economically and politically important line, the Tumen-Chiamussu railway, has two arms, stretching eastwards to tap the vast riches in mineral lying buried in that part of the sparesely populated corner of the State. One feeder goes as far east as Suehling, situated 75 kilometers east of the trunk line, and was completed and opened for general traffic in June, 1938. The second, lying still farther north, branches out from Linkou to the bank of the Ussuri river. This branch was built in two sections. The first half went as far as Mishan from Linkou and was completed and opened to general traffic in July, 1935, and the second half is the continuation of this line to Hulin, a river port on the Ussuri situated opposite the Russian town of Iman.

The total length of this important feeder to the Tumen-Chiamussu system is 336.4 kilometers and taps a veritable Saar of Manchoukuo, for according to an officially conducted geological survey carried out and reported by W. H. Wong to the Peking Government as published in the "Special Report of the Geological Survey of China" late in 1926 gives the figure of 1,000 million metric tons as the minimum coal content of the Mulin-Mishan districts, to which the coal deposits situated some 45 kilometres south of Hulin city, the terminus of this branch line, must be added. In this last named district there are more than 40 mines, operated at present admittedly on a small and poorly organized scale.

Hsinking-Hulun Arshan Railway System

This railway system cuts across the Ssupingkai-Tsitsihar line at Paichengtu and was built in three sections, the two newer sections connecting with the short existing line originally projected to go as far west as Solun from Paichengtzu, a distance of 175 kilometers as the crow flies was completed as far as Wangyehmiao, almost 83 kilometres west of the Ssupingkai-Tsitsihar line, and opened to general traffic in 1931. The Hsinking-Paichengtzu section forming the eastern connecting half of the entire system is of 332.6 kilometres, and was opened to the general public in November, 1935 while the western connecting half between Wangyehmiao and Arshan, a total length of 238.7 kilometres, was opened to passenger traffic in July, 1936.

The Hsinking-Halun Arshan route is the longest railroad built since the founding of Manchoukuo, a fact appreciated by very few people both in this country and in Japan.

Of its entire 655 kilometres 83 kilometres, stretching between Wangyehmiao and Paichengtzu, was built by the Changs. Originally they had meant to push the line as far as Solun, but the engineering difficulties in the Hsingan foothills west of Wangyehmiao, probably caused them to stop.

About 660 kilometres of the route were constructed under the State Railway administration since autumn, 1933. The first section from Hsinking to Talai or Paichengtzu as it is now called, proceeds almost directly northward, and the area traversed is solely populated by Chinese, with Nungan as the centre. It is a thickly populated farming district watered by the Sungari.

The next section curving westward is in the basin of the Nonni. The region is a mixed Sino-Mongol country with the Mongol element becoming more in evidence as the line goes farther west. Farmlands tilled by the Chinese give way gradually to broad sweeps of grassland nourishing millions of sheep, cattle and horses, tended by Mongol herdsmen.

Almost every day one may see long caravans of camels, now in small groups and now singly, along the dusty roads, bearing men and burden and trudging patiently along. They are neither handsome nor given to cleanliness but one must admire their hardihood and endurance.

This section, from Paichengtzu to Wangyehmiao, was incorporated into the State Railway system. The roadbed, was improved and culverts and bridges strengthened or rebuilt, bringing it up to the standard of the State railways.

This stretch is a spacious meandowland, filled with wild blooms in spring and summer. There are slight undulations here and there, with tree clumps around streams and ponds. For the most part the land is flat and treeless and the few scattered market towns, hamlets and farmhouses are all single-storeyed affairs. Like a white ribbon the iron stretches straight over this meadowland.

The landscape becomes more lively, with the Hsingan foothills looming over the western horizon, as one leaves Wangyehmiao and the beautiful pastoral land to the east. From Wulanhata, a little way east of Wangyehmiao, the line enters Hsingan province, a real Mongol domain.

Mongol hamlets of circular tents become more frequent and prominent. The districts in the province are divided into 'banners' instead of 'hsien' as in the Han-peopled country to the east. The 'banner' system preserves the old Mongol political designation, but their antique clan style of administration has been modernized and liberalized under the new regime. All the Mongol officials appointed by the Manchoukuo Government are very proud of their offices and some of them are eager in their efforts to better the lives of their fellow countrymen.

The 120 kilometre stretch from Wangyehmiao to Solun runs through Hsingan foothills. The land is wooded and quiet scenic; the climate is more salubrious than that of the Sungari and Nonni watersheds to the east. Greater variety in vegetation and abundance of pretty and tuneful songbirds make life in this sparsely populated land most pleasant.

Wangyehmiao is now an educational centre, with military and political institutes to train Mongol youths as civic and army leaders. But Solun is the railway and trade centre of the region. This area will become in the near future a favored spot for summer vacationists, for all through the summer days and evenings mountain breezes laden with revivifying ozone blow over the foothills. The final section of the line, from Solun to Halun Arshan, curves and bores through real mountainous country, the Great Hsingan ranges.

At the celebrated hot spring resort of Halan Arshan the new railway is already west of the Great Hsingan range, having traversed that mighty barrier by a series of switchbacks and tunnels.

Hsinking-Fusan Through Service

The through service connecting Fusan, a seaport on the south tip of Korea, and Hsinking is not connected with Harbin and other large railway towns of North Manchuria, yet this service via Hsinking brings those large northern towns that much nearer to the sea-board and to Japan. The through service between Fusan and Hsinking takes but 27 hours train ride to reach the

Korean sea-port, and with an additional eight hours ferrying across the Sea of Japan, one reaches Japan.

Tables of Distances

The following tables will show the distances that separate some of the important railway centres in North Manchuria from important ports in Japan and from continental seaboards.

(a) Distance in kilometres to the three important seaboard outlets for the Manchurian Railways:

From:	To Dairen	To Rashin	To Vladivostok
Harbin	945	738	785
Hailun	1,173	964	1,013
Tungpei	1,419	1,045	1,098

(b) Distance in kilometres to the three important and nearest seaports of Japan, from Manchurian railway towns:

Rashin to Tsuruga	906.7	Dairen to Moji	1,160.7
Rashin to Maizuru	874.0	Vladivostok to Tsuruga	925.6

(c) Distance from Harbin to different ports in Japan:

	Kilometers		Kilometres
To Tsuruga, via Lafa-Harbin and Hsinking-Tumen lines	1,644.7	To Moji. via Dairen	2,105.7
To Maizuru, via the same route	1,512.0	To Tsuruga, via Vladivostok	1,710.6
		To Moji, via Fusan, Korea	2,009.9

Conclusion

In conclusion a few words suffice concerning the prospective construction of railways in the early future by the Manchoukuo Government.

The problem of constructing railways at the present moment is being given major attention by the Manchoukuo Government in all her programs for economic and industrial development.

The projected goal of the Manchoukuo Government authorities is to attain the total length of 25,000 kilometres of railways in the near future. The first quota of 4,000 kilometers to be completed in the first ten years of the existence of Manchoukuo has been more than fully realized, this mark being passed in the opening days of 1938, the event being fittingly celebrated with appropriate ceremonies on October 21, 1939 when the passing of the first 10,000 kilometers of railways was commemorated.

New Lines Opened in 1940

The South Manchuria Railway Company announced on December 16, 1940 that three new State railways, which had been under provisional operation, were opened to formal traffic. The railways are the following: Yayuan-Talitzukou line, 113 kilometers; Hsinhsing-Chengtzu (Hsing-Ning) line, 216.1 kilometers; and Moerhken-Holungmen line, 203.6 kilometers. The management of these railways is entrusted to the S.M.R. by the Manchoukuo Government. The announcement reads:

"The Yayuan-Talitzukou line has an important mission of developing the Talitzukou iron deposits and the underground resources along the railway. The railway between Hsinhsing and Chengtzukou has been renamed the Hsing-Ning Railway line. Linking Hsinhsing, on the Tumen-Chiamussu Line, with Tungning, important point on the eastern frontier, the new line is an important railway politically and also for the development of Eastern Manchuria. Great expectations are held regarding the future of this line.

"The railway between Moerhken and Holungmen is an extension of the Ning-Mo line. As a result of the opening of this line, the 283.9 kilometer railway between Ningnien, on the Tsitsihar-Peian line, and Holungmen, Peian Province, has been opened to formal traffic and is expected to accelerate the development of northern frontier districts."

CHAPTER XXIV

COMMUNICATIONS

POSTAL SERVICE

General Remarks

With the establishment of the new State of Manchoukuo, the postal administration of the country was assigned to the Department of Communications, with the Postal Bureau as the central organ. At that time, however, the postal service in Manchuria was still in the hands of the Chinese Government. The situation was anomalous. On the completion of the organization of the Postal Bureau, the Manchoukuo authorities made efforts to take over the postal service from China. After certain complications, the postal service became independent from the Chinese hands in July, 1932, when a formal declaration was issued to that effect.

In connection with the postal administration, the next memorable event was the abolition by Japan of the extraterritoriality in Manchoukuo, together with the restoration to the Hsinking Government of the administrative jurisdiction in the Railway Zone. In anticipation of the event, the postal authorities of Manchoukuo made necessary preparations by promulgating various enactments, including the Postal Law, Postal Order Law, Postal Transfer Account Law, Postal Life Insurance Law, etc. In December, 1937, 120 post offices, with more than 1,000 officials and employees, were transferred to the Manchoukuo Government. The unification of the postal administration was thus attained, enabling the country to make further progress in the business.

The machinery of postal administration has been steadily improved since the inauguration of Manchoukuo. As part of the large scale administrative reform in July, 1937, the General Bureau of Postal Administration was established as an "external

office" of the Department of Communications, to supervise and control the whole system, including electric communications. From the start of the new State, it has been the ambition of the Manchoukuo authorities to create a system fit for a Wangtao State, so the private and urban-centralized service, the system under the former regime, was replaced by a new system which emphasized the public character of the service—a system answering the requirements of Manchoukuo in advancing culture and in promoting industry and economy.

The number of post offices classified by superintendent offices is given below:

Table 1. NUMBER OF POST OFFICES BY JURISDICTIONS
(Sept 1940)

Superintendent Office	No. of Post-Office	No. of Sub-Office	Total
Hsinking ...	131	317	448
Mukden ...	160	574	734
Harbin ...	111	262	373
Chinchow ..	76	277	353
Mutankiang	84	171	355
Total ...	562	1,601	2,163

During the last few years, the postal authorities have laid emphasis on the expansion of the service, facilitating communication particularly for the execution of the Five Year Industrial Programme, Land Settlement and Northern Frontier Schemes, and further for the development of the East Asia bloc, as well as for the promotion of intercourse with foreign countries, thus striving to build up the communication service as a real artery of social and cultural life.

As regards the finances of the postal and postal life insurance services, there are instituted the Postal Service Special Accounts and Postal Life Insurance Special Accounts, separate from the general accounts of the Government, since the nature of these services requires independent accounting. At the end of July, 1940, there were five local superintendent bureaus, one each for Hsinking, Mukden, Harbin, Chinchow and Mutankiang with altogether 562 post offices, 1,601 branch post offices, and 11,937 officials and employees.

Inland Mail Service

For some time after the postal service was taken over from China, the system based upon the Chinese laws and regulations was retained. This was not in consonance with the new situation, so the Government set about reorganizing the system, and enacted various new laws and regulations relating to the service. In addition to the inauguration of contents certification, collection of bills, contact mail, etc., the following services were also introduced:

1) Express delivery mail, from July, 1937 (amalgamating the air mail and quick delivery mail already existing);
2) New Year mail, from December, 1932;
3) Mail with time of acceptance certified, from 1935;
4) Delivery of postal parcels, from June, 1937;
5) Sale of revenue stamps, from December, 1937 (taken over from the Finance and Commerce Department);
6) Military mail, from December, 1937.

The number of inland mails handled has shown a steady increase in recent years, as the following table shows:

Table 2. NUMBER OF INLAND MAILS HANDLED
(unit: 1,000)

(A) Outwards

	Ordinary Mail				Special Mail			
	Letters	Post cards	Printed matters	Total	Registered	Total incl. others	Grand Total	Parcel post
1932	—	—	—	11,676	629	691	12,367	68
1933	—	—	—	71,481	2,619	2,823	74,303	755
1934	—	—	—	97,578	2,108	2,963	100,542	775
1935	—	—	—	96,860	3,053	4,097	100,956	695
1936	77,291	14,933	10,412	102,636	3,323	4 554	107,189	645
1937	94,833	10,516	11,677	117,026	3,505	7,268	124,294	1,443
1938	103,046	20,702	23,242	146,990	4,155	10,910	157,900	1,079
1939	111,259	30,888	34,807	176,954	4,747	11,543	188,497	1,173

(B) Inwards

	Ordinary Mail				Special Mail			
	Letters	Post cards	Printed matters	Total	Registered	Total incl. others	Grand Total	Parcel post
1932	—	—	—	13,290	780	846	14,136	69
1933	—	—	—	74,399	3,133	3,310	77,709	637
1934	—	—	—	126,441	2,242	3,295	129,735	1,011
1935	—	—	—	146,240	4,365	5,556	151,796	718
1936	95,926	11,245	17,182	124,352	3,915	5,237	129,589	746
1937	111,280	10,939	16,901	139,120	3,530	6,701	145,820	1,468
1938	111,579	16,093	24,616	152,288	4,073	8,458	160,745	1,200
1939	111,879	21,247	32,330	165,456	5,319	11,703	177,159	1,297

Foreign Mail Service

With regard to the mail service to and from foreign countries, it was the desire of the Manchoukuo Government to establish smooth connection by observing international usage and by fulfilling the treaty obligations undertaken by the Chinese Government, in accordance with the spirit of the declaration of founding the new State. The postal communication between Manchoukuo and Japan came to be regulated by the Manchoukuo-Japan Postal Treaty and the accompanying agreement signed, December 22, 1935. As already noted, the postal administration in the Railway Zone was restored to the Manchoukuo Government, except for the mails to and from third countries.

At the start of the new State, China was so outrageous as to declare a postal blockade of Manchoukuo. Repeated negotiations, however, resulted in a postal agreement between Manchoukuo and China, and the service of ordinate mails was restored in January, 1935 and the parcel post service in February, the same year. The arrangement between the two countries has continued satisfactorily until recently, but now readjustment is under consideration, in view of the changed situation in China.

With third Powers, no postal treaties have been concluded. But the League of Nations, while withholding recognition from Manchoukuo, resolved that since Manchoukuo had the right to receive compensation for the service rendered, it would be all right to start postal negotiations with Manchoukuo, on condition that the arrangement did not imply recognition of the new State. By this resolution, Manchoukuo became a de facto member of the International Postal Union, and the mails bearing Manchoukuo stamps are now sent to all part of the world without objection. Manchoukuo controls an important international mail route, since the mails to and from Europe and via Siberia must pass through Manchoukuo territory. In handling such mail matter, Manchoukuo is rendering an important international service. The position of the new State is gaining in importance, also in this respect.

As regards the formal adhesion of Manchoukuo to the International Postal Union, the Foreign Minister of the new State made a formal proposal to the Swiss Government in 1932, and when the tenth conference of the International Postal Union was held in Egypt in 1933, the Department of Communications sent an official to Cairo to make clear the position of Manchoukuo.

The amount of foreign mail handled is shown below:

Table 3. FOREIGN MAIL HANDLED
(Unit: 1,000)

(A) Outwards

	Ordinary mail	Special Mail		Grand Total	Parcel Post
		Registered	Total incl. others		
1934	18,252	754	761	19,014	85
1935	31,730	1,215	1,235	32,965	113
1936	40,310	1,391	1,422	41,732	150
1937	40,537	1,114	1,709	42,245	318
1938	60,753	2,335	3,053	63,806	425
1939	80,970	2,899	3,914	84,884	536

(B) Inwards

	Ordinary mail	Special Mail		Grand Total	Parcel Post
		Registered	Total incl. others		
1934	19,430	704	720	20,150	324
1935	37,505	1,125	1,144	38,649	446
1936	43,995	1,113	1,149	45,144	636
1937	43,527	1,176	1,372	44,899	842
1938	69,883	1,566	2,055	71,938	1,586
1939	96,240	1,816	2,212	98,451	2,211

Air Mail

The development of air transportation within Manchoukuo as well as with Japan and China is well reflected in the increasing use of air mail service. Outward ordinary air mail matter expanded from 481,000 pieces in 1934 to 2,738,000 pieces in 1939. Statistics are subjoined:

Table 4. AIR MAILS HANDLED
(Unit: 1,000)

(A) Outwards

	Ordinary Mail				Special Mail		Grand Total
	Letters	Post cards	Printed matters	Total	Registered	Total incl. others	
1934	—	—	—	481	58.3	63.3	545
1935	—	—	—	562	67.0	73.3	636
1936	587	11.1	7.9	606	77.6	83.4	689
1937	1,134	40.0	1.9	1,176	1,660.0	1,944.0	1,371
1938	1,801	38.5	28.3	1,868	246.3	290.6	2,159
1939	2,633	58.8	47.6	2,738	309.8	349.9	3,087

(B) Inwards

	Ordinary Mail				Special Mail		Grand Total
	Letters	Post cards	Printed matters	Total	Registered	Total incl. others	
1934	—	—	—	708	42.2	49.7	757
1935	—	—	—	784	49.6	59.2	844
1936	845	25.0	20.2	890	62.7	76.0	966
1937	1,114	21.1	23.1	1,158	234.0	252.5	1,410
1938	1,759	31.5	34.1	1,825	247.6	282.5	2,107
1939	2,571	75.7	44.0	2,691	310.1	315.6	3,007

Note: Figures from 1937 are inclusive of special delivery.

POSTAL SAVINGS AND POSTAL LIFE INSURANCE

General Remarks

With the establishment of the new State, the postal savings and postal money order businesses were placed, so far as official jurisdiction was concerned, under the Department of Communications. The General Bureau of Postal Administration, established in July, 1937, now exercises supervision and control over these services, like the mail business itself. During the old regime, the services were urban centralized and conducted for profit. Therefore, after taking over the postal business from China, the Manchoukuo authorities started the reorganization and improvement of the services. Regarding postal savings, financial accounts had first to be settled with China, so this service could not be immediately reopened, but the inland postal order business was resumed in May, 1933.

The systems of postal transfer accounts and postal life insurance did not exist during the old regime. The former was inaugurated in December, 1936, as it was a convenient method of making remittances and settling accounts; while as for the latter, inquiries are instituted with a view to introducing it under State management and as a measure for advancing social welfare. On the completion of preparations, the postal life insurance system was inaugurated in October, 1937.

Postal Savings

The postal savings business was resumed in May, 1933. In accordance with the Postal Savings Act and Regulations promulgated in March, 1937 and enforced in May the same year, this service was thoroughly reorganized on a new basis. The current rate of interest for ordinary postal savings is 4.20 per cent, and that for long term savings 4.41 per cent. These savings are received and paid back at any post office—an innovation against the old system. Postal saving are now classified into (1) ordinary, (2) special, and (3) entrusted deposits. The second of these three classes is sub-divided into (a) covenanted deposits (that is, deposits made by saving associations, the withdrawal of which is restricted in accordance with covenants of associations), (b) long-term deposits (the term ranges from one to ten years, during which time no withdrawal is permitted), and (c) deposits by Manchou nationals residing abroad (those nations living in Japan are excepted, deposits being made by means of money orders). The "entrusted deposits" above mentioned are primarily those savings which were deposited in the Japanese post offices in the Railway Zone prior to the restoration of the said zone to Manchoukuo and whose management was entrusted to the Hsinking authorities on their resumption of the administrative jurisdiction in the zone. In the case of "entrusted deposits", old depositors may of course make further deposits and withdrawals, no person, however, being allowed to open new accounts.

At the close of 1940, the postal savings depositors numbered **1,787,896, with deposits totalling 168,142,350 yuan** a striking result for the short space of six years. The rate of increase was particularly rapid from the end of 1938, testifying to the efficacy of the savings campaign organized by the Government as well as to the increased prosperity in the country.

Postal Money Order

During the former regime, the postal money order required complicated formalities. The inland fees varied according to destinations, the rates between distant places were exceedingly high. So the Manchoukuo Government introduced a uniform rate for the whole country. As the result of this revision, remittances can now be made to any locality within the country, at half the former rate.

The postal money order in Manchoukuo has three kinds: the petty, ordinary, and telegraphic. The petty order was inaugurated in August, 1934; while as regards the telegraphic order, which did not exist during the former regime, a system modelled on that of Japan was introduced in January, 1936, the post offices in all important towns handling the business. The number of persons utilizing the service is increasing every year.

The Postal Money Order Act and Regulations promulgated in March, 1937 thoroughly reorganized the service, abolishing the method dating from the former regime. The postal order business as now conducted is briefly as follows:

1) **Inland Drafts.** Inland drafts are rapidly increasing every year, in number and value. The figures for 1940 amounted to 153 million yuan in issuance and 134 million yuan in payment, which showed an increase of 57% in issuance and 49% in payment compared with 1939.

2) **Manchoukuo-Japan Drafts.** These drafts are treated on the same footing as inland drafts, in accordance with the Manchoukuo-Japan Postal Treaty and Agreemnet. The total in issuance in 1940 was 208 million yuan and 31 million yuan in payment showing an increase of 60% and 35% respectively, compared with 1939.

3) **Manchoukuo-China Drafts.** The money order business between Manchoukuo and China was inaugurated in February, 1935, in accordance with the Manchoukuo-China Postal Agreement. The business continued to increase until the outbreak of the China Affair in 1937, when the amount began to decline. But during 1940 the total amounted to over 6 million yuan in issuance and 3.3 million yuan in payment.

4) **Manchoukuo-Mongolia Draft.** These drafts were inaugurated in January, 1938, on the same footing as inland drafts.

5) **Foreign Drafts.** In this line, Manchoukuo has a direct service with Germany, but the service with Italy, Switzerland, Holland, and other countries is conducted indirectly, that is, through Japan.

Postal Transfer Account

This service was started in December, 1936, in response to the rapid growth of national economy. In order to speed up this business, service by telegraph and quick delivery was introduced in December, 1937. Simultaneously with the inauguration of inland transfer account business in December, 1936, a similar service was started between Manchoukuo and Japan. At the end of 1940, there were five transfer account control offices, one each for Hsinking, Mukden, Harbin, Chinchow and Mutankiang. At that date, transfer account depositors numbered 11,085, with a total balance of 5,678,245 yuan. The service is still in an early stage of development, but the rate of progress is highly satisfactory.

Postal Life Insurance

From the standpoint of stabilizing the life of the masses and advancing their welfare, the introduction of petty life insurance had been held desirable from the start of Manchoukuo. In order to frame a system suited to the special conditions in the country, the Government conducted careful inquiries, and promulgated the Postal Life Insurance Act and Regulations in October, 1937, a memorable event for Manchoukuo. The system introduced includes both whole life and endowment policies. The individual sum insured varies from 50 to 500 yuan, premiums payable each month. At the close of 1940, the persons insured totalled 536,000, and the amount insured 82,210,000 yuan with a total premium receipts of 576,000 yuan per month, a gratifying result for the short space of three years.

ELECTRIC COMMUNICATION

General Remarks

For some time after the establishment of Manchoukuo electric communication was partly under Government management, and partly under prefectural or private management. In the Railway Zone in South Manchuria, the enterprise was in Japanese hands, while in the districts along the North Manchuria Railway (Chinese Eastern Railway.) the same business was conducted by the Russians. The services were in various degrees of development, with little connection with each other, a condition not in harmony with the new situation. In order to remedy this state of affairs, the Manchuria Telephone and Telegraph Company was created in September, 1935, as a Manchou-Japanese concern, the Hsinking Government supplying part of the capital in the form of establishment under its management. To this company, the telephone, telegraph, and radio broadcasting not merely in Manchoukuo but in Kwantung Territory were entrusted.

With the head office established in Hsinking and control offices in Hsinking, Mukden, Harbin, Tsitsihar, Mutangkiang, Chengteh, and Dairen, the Manchuria Telephone and Telegraph Company proceeded to the purchase, coordination, and expansion of the services in Manchuria, while striving to establish and extend the network of electric communication with Japan, China, and other countries. The present development in electric communication was rendered possible by the efforts of the company.

The central authority controlling the Manchuria Telephone and Telegraph Company and electric communication in general is the Department of Communications, which exercises supervision through the General Bureau of Postal Administration, and with local postal bureaus as immediate organs of control.

Telegraph

At the time of the establishment of the Manchuria Telephone & Telegram Company, the telegraph offices in Manchoukuo and Kwantung Territory totalled 360 while the present number is 923. The extension telegraph lines at the start of the company were 34,227 kilometers which have advanced to 46,686 kilometers. On the other hand the company has further extended circuits by establishing 60 new ones during 1940 and its total numbered 521 at the end of the same year. The messages despatched during 1940 were 13,551,440 an increase of 21% as compared with the same period, 1939.

The wireless establishments in Hsinking have direct connection with Berlin, Paris, and San Francisco. In addition to direct communication with Japan, and North and Central China by wire and also by wireless, telephoto service with Japan was opened in September, 1939.

General statistics on telegraph and telephone are tabulated below:

Table 5. GENERAL STATISTICS ON TELEGRAPH AND TELEPHONE

	Telegraph (Kms.)		Equipment		Extension length of telephone line (Kms.)	No. of telephone messages	No. of telephone subscribers
	Lines	Extension Lines	Telegraph	Wireless			
1933 ...	12,370	34,068	544	—	—	2,004,194	32,898
1934 ...	20,471	42,594	634	140	24,070	2,074,307	41,598
1935 ...	21,911	45,886	638	159	32,468	2,695,999	54,113
1936 ...	21,080	46,670	778	182	102,919	2,958,268	63,373
1937 ...	26,635	55,011	921	228	128,709	3,669,030	73,939
1938 ...	26,635	51,982	1,161	304	147,006	4,556,621	82,630
1939 ...	38,402	50,930	1,183	—	152,296	5,678,821	93,314
1940 ...	46,686	—	1,283	309	—	10,006,777	110,000

Table 6. NO. OF TELEGRAPH OFFICE

(A) Manchoukuo

	Telegraph & Telephone Stations	Telephone Stations	Telegraph Agencies	Wireless Agencies	Total incl. Others
1934	75	143	222	48	504
1935	95	136	242	48	555
1936	124	147	249	51	695
1937	187	100	275	54	784
1938	218	191	383	56	—
1939	244	232	403	62	921

(B) Kwantung

	Telepragh Offices	Air-station	Post offices	Post branch offices	Post stations	Wireless telegraph stations
1926	—	—	40	8	16	3
1932	1	1	44	37	22	4
1933	26	1	44	43	22	2
1934	48	1	49	39	26	1
1935	51	1	53	36	30	—
1936	54	1	56	45	32	—
*1937	1	1	17	4	13	—
*1938	14	1	18	4	18	—

(Continued)	Telephone exchange offices	Post agencies	Telegraph agencies	Wireless telegraph agencies	Telephone agencies	Total incl. others
1926	2	146	90	11	20	336
1932	3	151	102	38	25	428
1933	7	145	112	49	25	476
34	6	146	113	48	30	507
1935	14	146	112	48	29	520
1936	11	147	118	51	17	532
*1937	—	82	24	53	37	278
*1938	—	80	24	55	47	288

Note: Statistics from 1937 with regard to Kwantung are exclusive of the S.M.R. Zone, jurisdiction over which was transferred to Manchoukuo as a results of the abolition of extra-territoriality.

Table 7. NUMBER OF TELEGRAMS HANDLED

(A) Manchoukuo

(In 1,000)

Year Ending	In-Manchoukuo		Japan-Manchoukuo		Foreign		Total	
Mar. 31:	Despatched	Arrived	Despatched	Arrived	Despatched	Arrived	Despatched	Arrived
1934	2,067	2,094	2,110	1,859	256	281	4,434	4,235
1935	2,931	2,917	2,317	2,072	255	275	5,504	5,265
1936	3,485	3,427	2,483	2,231	282	283	6,251	5,943
1937	4,084	4,082	2,809	2,438	281	274	7,175	6,795
1938	4,926	4,920	3,218	2,695	439	421	8,583	8,036

(B) Kwantung

(In 1,000)

Year Ending	Domestic & Japan-Manchuria			Others			Transmitted	
Mar. 31:	Despatched	Arrived	Total	Despatched	Arrived	Total	Domestic & Japan-Manchuria	Others
1933	1,184	1,128	2,312	222	222	444	1,559	397
1934	1,363	1,293	2,657	199	217	416	1,866	364
1935	1,564	1,500	3,064	159	176	335	2,228	325
1936	1,674	1,625	3,299	149	165	314	2,686	239
1937	1,723	1,655	3,378	172	181	354	2,856	266
1938	1,686	1,706	3,392	162	163	326	2,146	259

Telephone

At the start of the Manchuria Telephone and Telegraph Company, there were about 300 telephone exchanges, which have increased to about 500; while the telephone subscribers now number 110,000 against 33,253 at the beginning of the period. The telephone lines increased from 9,389 kilometres to 48,000 kilometres at the end of 1940. During the same year, calls on long-distance telephones numbered 10,006,777 against 1,929,853 for the first year of the period. These figures are quickly rising. In all important towns, the system of automatic exchange has been introduced. In Hsinking and three other towns, telephone charges are counted by the number of calls.

Radio Broadcasting And Radio Telegraph

Radio broadcasting and radio telegraph are also in the hands of the Manchuria Telephone and Telegraph Company. The broadcasting stations have increased from 4 to 17, and the registered listeners from 8,000 to 430,000. The important stations are broadcasting by a dual system, contributing much to social culture.

At the time of the establishment of the Manchuria Telephone & Telegraph Company, there were only four broadcasting stations, at Dairen, Mukden, Harbin, and Hsinking, with a total antenna output power of 4.5 kilowatts. With these four stations under its control, the company started on its mission of promoting culture. Exactly one year later or in May, 1935, a 100 kilowatt transmitter was set up in Hsinking. It had the reputation of being the most powerful transmitter in the Far East until December 28, 1937, when a 150 kilowatt transmitter was installed in Tokyo. This 100 kilowatt transmitter is used in broadcasting programs in the Manchu language.

Stations in important cities, as Dairen, Mukden, Hsinking, Harbin, Mutankiang, and Tsitsihar, are connected to one another by the carrier current telephony system which is used to relay programs from one station to another. Besides using carriers and wireless telephony to relay broadcasts in Manchoukuo, unloaded cables are used between Mukden and Antung. In exchanging programs with both Japan and China, both short wave and unloaded cables are used to relay broadcasts among the three countries.

The Manchuria Telephone & Telegraph Company expects to have twenty broadcasting stations under its control and also expects to double the antenna output power of the Hsinking Broadcasting Station by December 1942 when the government's present Five Year Plan comes to an end.

As regards execution of radio broadcasting, there are certain difficulties in arranging suitable programs in the different languages since Manchoukuo's population is rather heterogeneous, and composed of many races. Except for the Japanese, listeners in this country are scattered over widely separated areas, and therefore a great number of physical hindrances have to be overcome before the right kind of news and entertainment can be offered them. For this purpose the radio network of Manchoukuo, including the four central stations at Hsinking, Dairen, Mukden and Harbin, neatly covers all Manchoukuo.

Kinds of Broadcasting. The characteristic features of Manchoukuo broadcasting are the result of the compositive nature of the Manchoukuo Empire. For each racial component of Manchoukuo radio broadcasting must be suitable in subject matters, language, taste, etc. At present, three kinds of broadcasts are being made: (1) broadcasts in the Japanese language, (2) broadcast chiefly in the Manchoukuo language, (3) overseas broadcasts.

Hours and Subject of Broadcasting. As regards hours of broadcasting, the first broadcast is made for 12 hours a day on the average by the four central broadcasting stations at Hsinking, Dairen, Mukden and Harbin, while other stations give 10 hours' broadcasting every day on the average. The second broadcast is

given by central broadcasting stations for ten hours on the average. Overseas broadcasting is made four hours every day.

Subjects for broadcasting include news items broadcast seven times a day, news interpretations, announcements, market conditions, broadcasting on sports, such as baseball, football, field and track events and aquatic sports, as well as weather forecasts. There are also lectures on the Manchu language, the Japanese language, and the Russian language, information to housewives, the day's menu, prices of daily necessaries, as well as hours for children, radio-physical exercises, broadcasts for schools, and other cultural subjects including music and dramatic performances. Particularly in music, a variegated program of Japanese, Oriental and Occidental music is given, the like of which can hardly be met with in European and American countries. The ratio of each broadcast item to the total broadcasting hours is, in the first broadcast, information 45%, culture 25%, children's hours 5%, and entertainment 25%; while in the second broadcast information comprises 24%, culture 27%, children's hours 6%, and entertainment 43%.

Relations with Japan and North China. In executing the above-mentioned program, Japan, Manchoukuo and Chosen are in relations of mutual dependence upon each other, as seen in a regular exchange of programs between Japan and Manchoukuo and between Manchoukuo and Chosen. With North China, too, exchange of broadcasts has been started to inform its people of the sound development in this country. Thus the exchange of broadcast programs is being made for the development of East Asian broadcast work in mutual reliance, revealing the spirit of unity between Japan, Manchoukuo and China.

Overseas Broadcasting. In July 1937 the Dairen Central Broadcasting Station started a short-wave overseas broadcast addressed chiefly to Central and South China as well as the Straits Settlements. Broadcast items included news in English, Manchou and Japanese, and also dramatic performances. The broadcasting time was one hour. Since then much has been done to broaden the scope of overseas broadcasting. The efforts bore fruit on June 3, 1939, when a new and powerful short-wave transmitter was installed at the MTCY Hsinking Central Broadcasting Station to broadcast all over the Far East.

On July 2, 1939, broadcasts for Europe and the western part of North America were initiated, while further, on September 1, Manchoukuo broadcasts were extended to cover South China, the South Seas, the Straits Settlements and Australia. Thus the Hsinking Broadcasting Station acquired the comprehensive scope of covering four far-flung areas in the world, broadcasting for four hours a day in five languages, English, German, Manchou, Mongolian and Russian. The overseas broadcasts from the Dairen Station were abolished at the end of August.

Thus since the start of our broadcasting work fairly sizable reactions have been noted. Listening-in reports have arrived not only from the places to which the broadcasts are addressed but from all parts of the United States and Africa in short, from every part of the world. The number of these reports amounts to a hundred a month and is ever increasing.

TO EUROPE

(Daily Excepting Wednesday's and Saturday's)

6:00	Opening Announcement in English
6:03	News in English
6:15	Entertainment
6:30	Talk in English, or Music
6:57	Closing Announcement in English
7:00	Sign-Off

TO EUROPE

(Wednesday's and Saturday's)

6:00	Opening Announcement in English
6:03	News in English
6:15	Talk in English, or Entertainment
6:30	Announcement in German
6:32	News in German,
6:42	Talk in German, or Entertainment
6:57	Closing Announcement in German
7:00	Sign-Off

MST.... 6:00—7:00 A.M.
GMT....21:00—22:00

AMERICA

2:30	Signal, Opening Announcement
2:33	Talk, Entertainment
3:00	News in English
3:12	Talk, Entertainment
3:27	Closing Announcement
3:30	Sign-Off

MST....2:30—3:30
GMT....3:30—6:30

SOUTH SEAS

10:00	Opening Announcement in English
10:03	Talk, Entertainment
10:15	News in English
10:30	Entertainment
10:57	Announcement in English
11:00	Announcement in Manchou
11:02	News in Manchou
11:12	Entertainment
11:27	Closing Announcement in Manchou
11:30	Sign-Off

MST....10:00—11:30
GMT....13:00—14:30

Table 8. NO. OF BROADCASTING STATIONS

(Nov. 1941)

Stations	Denomination	Stations	Denomination
Hsinking	MTCY MTCY	Chiamussu	MTNY
Mukden	MTBY	Heiho	MTSY
Dairen	TQAK TQAK	Hailar	MTRY
(shortwave)	JDY	Chengteh	MTHY
Harbin	MTFY	Chinchow	MTOY MTOY
Mutankiang	MTGY	Yingkow	MTPY MTPY
Antung	JQBY	Fuchin	MTQY
Tsitsihar	MTLY	Peian	MTUY
Yenki	MTKY	Tunghua	MTTY

CHAPTER XXV

LABOR

LABOUR ADMINISTRATION

Department of People's Welfare (Labour Affairs Bureau). The Department of People's Welfare forms the center of labour administration in Manchoukuo. At the outset a sub-section of the Social Affairs Bureau of the Department of People's Welfare dealt with matters connected with labour. When the administrative reform took place in July, 1937, the labour sub-section was enlarged into the Labour Guidance Section of the now independent Bureau for Social Affairs. The volume of administrative business increased considerably with the commencement of the Five Year Industrial Programme and the outbreak of the China Incident, necessitating the reformation of the Labour Guidance Section into the Labour Affairs Bureau.

State Council (Labour Affairs Committee). The Labour Affairs Committee in the State Council deals with important matters concerning labour. At the inception of the new State, the Labour Control Committee supervised the various agencies and organs connected with, and deliberated on important matters concerning labour. But under the administrative reform of July, 1937, the Planning Committee was established in the State Council, and as a sub-committee, the Labour Affairs Committee was instituted on September 10, 1938, as an organ for planning and deliberation regarding labour matters. This Committee is presided over by the Director of the General Affairs Board, with Government officials and industrial leaders as members.

Local Administrative Machinery for Labour Affairs (Labour Affairs Section). In July, 1939, when the Labour Guidance Section was established in the Department of People's Welfare, sections of a similar character were also established in the governments of several important provinces. Again, in January, 1940, when the Labour Guidance Section was expanded into the Labour Affairs Bureau, similar expansion took place in the machinery of the provincial governments. The larger cities, hsien and banners have also branches dealing with labour affairs.

Laborer from North China

Manchoukuo has hitherto obtained the greater part of its labor supply from North China. Just as Chinese laborers entering Manchuria are popularly called Shantung or Hopei coolies those coming from these two North China provinces comprise the majority of Chinese immigrant laborers. Needless to say, these Chinese laborers come to Manchuria in order to acquire means of maintaining their livelihood. Owing to the large number of Chinese migrating to Manchoukuo each year, the population of this country is increasing at a rate far greater than compared with the natural increase in population. Among the immigrants there are not a few peasants who leave their farms in North China.

In 1940 the population of Manchoukuoans, including those living in Kwantung Province, was published to be 44,689,894. Compared with the estimated 15,500,000 inhabitants of Manchuria in 1909, the population increased almost twice and a half in the following 30 years. And there is no doubt that this rapid increase is due mainly to the influx of immigrants from North China and the subsequent growth of their population by births.

Table 1. IMMIGRATION MOVEMENT FROM NORTH CHINA

	Immigrants who entered Manchuria	Immigrants who left for North China	Immigrants Staying in Manchoukuo	Percent age
1925	479,475	193,093	286,382	59.7%
1926	646,617	272,453	374,164	57.9
1927	1,043,772	281,295	762,477	73.1
1928	967,154	342,979	624,175	64.5
1929	941,661	541,254	400,407	42.5
1930	673,392	439,654	233,738	34.7
1931	416,825	402,809	14,016	3.4
1932	372,629	448,905	–76,276	—
1933	568,767	447,523	121,244	21.3
1934	627,322	399,571	227,751	36.3
Total	6,737,614	3,769,536	2,968,078	44.1
1935	444,540	420,314	24,226	54.5
1936	364,149	382,966	–18,817	—
1937	323,689	259,093	64,596	20.0

(Continued)	Immigrants who entered Manchuria	Immigrants who left for North China	Immigrants Staying in Manchoukuo	Percentage
1938	492,376	252,795	239,581	48.7
1939	985,669	390,967	594,702	60.3
1940	1,300,907	847,075	453,832	34.9
Grand Total ..	10,156,568	6,069,951	4,086,617	40.2

Labor Control in Manchoukuo

The Manchoukuo government, aiming at the strengthening of the racial ties between Japan and Manchoukuo, the restoration of peace and order; the stabilization and improvement of living conditions of the general public, and the prevention of outflow of specie in the form of wages organized the Labor Control Committee at Hsinking in 1933. This was the first step toward controlling free immigration from China, and the governments of Manchoukuo and the Kwantung Leased Territory materialized the restrictive immigration policy by putting in force certain regulations governing the entry of foreign laborers. In the meantime, Manchoukuo designated the Tatung Company to be the authorized immigration agency. The company was accordingly established in April, 1934, with its headquarters at Tientsin in North China. In the second year of its establishment the company began to work properly in pursuance of its business which involved inquiries into the career of emigrants to Manchoukuo and providing them with identity papers; recruiting of immigrants wanted in Manchoukuo and their protection; basic research preparatory to labor control. However, the immigration restriction which was the ultimate object of labor control soon proved contradictory to the carrying out of the Five-Year Industrial Development Plan. Simultaneously with the outbreak of the China Incident in July, 1937, the supply of North China laborers was suspended, while in Manchoukuo the revised industrial development plan required in 1938 twice as much labor as in the previous year. Naturally, the main problems in labor control became how to secure necessary labor from outside and how to evenly distribute labor available in the country. Under these circumstances it was deemed urgent to have a national organization to attend to all labor problems, and subsequently the Manchoukuo Labor and Industrial Foundation came into being in January, 1938. Following this the national mobilization act was promulgated in February the same year, thereby legislating the mobilization of labor in war-time; and later in June the Labor and Industrial Foundation set about registration of laborers to provide for the working out of plans in the future.

The Labor Control Committee, which was organized in 1933, dissolved as a matter of course when in September, 1938, a new labor committee was instituted as a branch of the Committee on Planning in the General Affairs Board. The new Labor Committee first decided on a fundamental program of labor control, which has since been realized one item after another. In December, 1938, the Labor Control Act was promulgated, followed by the enforcement of its detailed regulations in January, 1939. By the enforcement of this and the National Mobilization Act in February, 1938, the fundamental principles were established for the labor control policy. In the meantime detailed technical agreements were made between Manchoukuo and Kwantung Leased Territory in regard to immigration problems. The Tatung Company, the authorized immigration agency, became amalgamated into the Labor and Industrial Foundation of Manchoukuo in July, 1939, and has since been working actively as a branch department of the Foundation outside of Manchoukuo. Thereupon, labor control through Manchoukuo, Kwantung Territory and North China was simplified under one system. Up to 1938 the Division of Laborers' Education in the People's Welfare Department was the central organ in charge of labor control, but it was raised to the Bureau of Labor in January, 1939, for the strengthening of labor control system.

The following table shows the number of immigrants admitted to Manchoukuo and that of identity papers provided by the Tatung Company (branch department of Manchoukuo Labor and Industrial Foundation since 1939) during the last six years.

	No. of immigrants admitted	No. of identity papers issued
1935	440,000	444,540
1936	360,000	364,149
*1937	380,000	323,689
1938	470,000	482,376
1939	910,000	1,012,148
1940	1,400,000	—

*China Incident broke out in July.

Government Measures for Supplying Labor. To meet the rapid demand for workers measures along the following lines were adopted by the Government:

(1) To introduce North China labourers on a large scale.
(2) To guide the surplus labourers in rural districts into factories and mines.
(3) To employ women as substitutes for men in the lighter kinds of labour.
(4) To cause the employers or organizers of labour to observe control agreements.
(5) To concentrate by steps the recruiting of labourers in the hands of the Manchuria Labour Association.

This association is an endowment corporation established by Imperial Ordinance, with the object of protecting labourers, regulating the supply and demand of labour, as well as of fostering and developing labour resources. In order to adjust the supply and demand of labour, the first step taken was to ascertain the numbers of labourers within the country, the amount of labour in demand, and the probable number of labourers that could be supplied. The following are brief descriptions of the measures adopted for the above purpose:

Registration of Labourers. The registration of labourers being a basic requirement for the administration of labour affairs, the Department of People's Welfare issued in September, 1938, a Departmental Order whereby the Manchuria Labour Association was supervised to carry out the registration of labourers and to issue labour cards in such centers as are important from the standpoint of peace and order as well as of industry.

Taking of Finger Prints. Because of the large number of foreign labourers entering or leaving Manchoukuo, and on account of the difficulty in personal identification, considerable inconvenience was experienced in labour administration. In view of these circumstances, it was decided to take the finger prints of labourers, enforcing the measure first in the localities where the entry and exit of labourers was most frequent. For this purpose, the Finger Print Control Bureau was established in January, 1939.

Data Concerning Supply and Demand of Labour. Observing the importance of collecting data concerning the number of labourers within the country, as well as the extent of the demand and supply of workers the Department of People's Welfare issued in January, 1938, regulations concerning the matter and caused businesses employing 30 or more labourers to present monthly reports.

Inquiries into Casual or Unattached Labor. Casual or unattached labourers move quickly from one place to another. They serve to adjust the supply of labour, with an important bearing not merely upon the livelihood of the workers in general but also upon the industrial development of the country. To regulate their wages the Government caused the introduction of control agreements as embodied in Articles 2 to 6 of the Labour Control Act. Such control agreements are being concluded in an increasing number and, further, for the purpose of labour administration, nation-wide inquiries into wages, costs of living, price structures and other conditions are being carried out.

Wages. In consequence of the large increase in the demand for labour, there are many localities or industries in which wages have risen to an abnormal height. Perceiving that abnormally high wages are harmful to the labourers themselves as well as to industry in general the Government has formulated measures to control labour remunerations.

Following is the schedule of standard wages for male workers of Manchurian race of a 12-hour day, engaged in unskilled labour enforced from July 1, 1940. Those engaged in work of greater skill may be paid a premium not exceeding 195 per cent.

Table 2. DAILY STANDARD WAGES FOR MALE WORKERS
(Unit: Yuan)

Locality:	1st Class	2nd Class	3rd Class	4th Class
Jehol	0.75	0.80	0.85	—
Chinchow	0.80	0.85	0.90	—
Antung	0.80	0.85	0.90	—
Fengtien	0.85	0.90	0.95	1.00
Tunghua	0.95	1.00	1.05	—
Hsinking	1.00	—	—	—
Kirin	1.00	1.05	1.10	—
Chientao	1.10	1.15	1.20	—
Pinkiang	1.10	1.15	1.20	—
Mutankiang	1.20	1.25	1.30	—
Sankiang	1.25	1.30	1.35	1.40
Tungan	1.25	1.30	1.35	1.40

(Continued)

Locality:	1st Class	2nd Class	3rd Class	4th Class
S. Hsingan	0.95	1.00	1.05	1.10
Lungkiang	1.05	1.10	1.15	1.20
Peian	1.15	1.20	1.25	1.30
E. Hsingan	1.15	1.20	1.25	1.30
Heiho	1.30	1.35	1.40	1.45
N. Hsingan	1.30	1.35	1.40	1.45

These standard rates may be modified slightly according to work. Those engaged in excavation work are allowed 120 per cent. above standard rates; carpenters and brick-layers 185 per cent. more; sawyers and roofers up to 195 per cent. more. Enterprisers are allowed to enter into wage agreements about the maximum and minimum rates within the range of 8 to 12 per cent. of the standard schedule, so that they may have some freedom in making labour contracts. This reinforcement of labour wage regulations has been considered necessary judging from the unsatisfactory competition in wage owing to the recent developments in the situation and employers' attempts to meet the conditions. The Government decided upon these rates after mature study of commodity prices and labour conditions.

Labor Control Agreements. In accordance with the provisions or the Labor Control Law, two control agreements have been concluded between those engaged in forestry, fishing, mining, manufacturing and transport business on the one hand, and those supplying labourers on the other, in order to prevent and eliminate quarrels over the acquisition of labourers, regulate the terms of labor compensation, and to improve control of labor affairs, thereby ensuring effective and appropriate distribution of man-power. Any person violating these control agreements is punishable by a fine of less than 5,000 yuan in accordance with the provisions of Article 21 of the agreement.

One of the above agreements applies to the whole country and the other to regional areas, and they both contain provisions concerning recruiting, employment, use and discharge of laborers and their wages. The number of those who have subscribed to the agreements totalled 15,266 as on November 31, 1940.

Control of Wages

In paying of maximum wages and minimum wages and methods of payment, those engaged in forestry, fishing, mining, manufacturing and transport business abide by the provisions of the above control agreements in order to contribute towards the execution of the low price policy by curbing appreciation in the cost of operating enterprises resulting from the rise in wages, stabilize the livelihood of laborers, and to prevent dispute over the acquisition of laborers and their transfer from one job to another, thereby using man-power most effectively.

In farming standard wages for day-laborers are fixed in accordance with the regulations for controlling profiteering, and undue rise in wages is thus being curbed. In accordance with the above control agreements minimum and maximum wages for odd-job men employed in forestry, fishing, mining, manufacturing and transport business are fixed at four times and six times, respectively, the cost of their staple food consumed each day. Wages in the case of other occupations are fixed in accordance with operation costs. In farming, in case the board is paid by the employer, standard wages for day-laborers are on the whole the same as wages paid to coolies (120 per cent of wages for odd-job men).

Readjustment of Demand and Supply of Laborers

The demand for manpower has rapidly increased in recent years owing to the development of diverse enterprises. To cope with this situation the demand and supply of laborers has hitherto been readjusted by using surplus labor in the rural communities and by obtaining labor supply from abroad, chiefly North China. However, owing to the unfavorable balance of exchange accounts with China and the marked development of industries in North China in recent times, the Government came to feel keenly the need of re-examining its policy of depending upon North China for the supply of laborers.

In view of this fact the Government decided to effect smooth distribution of labor by enforcing consistent and unified control over the recruiting and supply of domestic laborers and laborers from abroad, curtail construction enterprises, and to secure labor directly required for production efforts, laying emphasis particularly upon the munitions, mining and manufacturing industries. While giving precedence to those industries in the supply of labor, the Government is placing necessary restrictions upon the recruiting of labor and its distribution to enterprises not urgently necessary in order to ensure adequate supply of labor to essential enterprises.

In addition the Government, in view of the vital importance of securing domestic labor, has devised appropriate measures for developing labor resources, which form the basis for readjustment of the demand and supply of labor, and for diverting a portion of labor used in farming to the mining industry. At the same time, the past tendency to despise labor is being done away with, while investigations are being made regarding farm labor in order to ascertain its distribution and localities with surplus labor, which has not been supplied to the labor market in the past. The Government thereby hopes to contribute towards the mobilization of labor. The Government is also considering encouraging Manchurian women to work in production enterprises in order thereby to ensure smooth demand and supply of domestic laborers.

Protection and Supervision of Laborers

For the protection of labourers necessary provisions have been made in the two labour control agreements (one applicable to the whole country and other to regional areas) concluded between those concerned in accordance with the provisions of the Labour Control Law.

As it has been decided to distribute labourers by the Manchuria Labour Association to North Manchurian districts and various collieries in accordance with plans for increasing coal production, measures for supervision of miners and relief of families of the deceased and injured have also been devised in order to afford special protection to such labourers. At the same time, Regulations Concerning Protection of Labourers Engaged in Public Works and Building Construction were promulgated on November 21, 1940 by a joint ordinance of the Department of People's Welfare and the Department of Public Peace in order to afford protection to labourers engaged in these fields.

In addition General Principles for Readjusting the Supply of Principal Goods Required by Labourers were promulgated on December 27, 1940, by ordinances of the Department of People's Welfare, the Department for Agricultural Development, and the Department of Finance and Commerce. These general principles, which are aimed at stabilizing the livelihood of labourers, were

enforced from January 1, 1941.

Furthermore the Government has appointed labour supervision officers to the Bureau of Labour of the Department of People's Welfare in order to undertake actual direction and supervision of labour affairs so as to strengthen measures for protection of labourers. Particularly in view of the urgent necessity of improving labour control, expanding facilities for promoting the welfare of labourers, preventing intermediary exploitation and training labourers in order to foster labour resources, increase manpower necessary for execution of important national policies, as well as to stabilize the livelihood of labourers, the Department of People's Welfare is at present conducting investigations and studies with a view to devising concrete plans in this connection.

Facilities for Retaining Labourers

Facilities for retaining labourers have been established with the object of keeping constantly a large supply of labourers required for important construction enterprises, and meeting the demand for labour urgently needed by the State. During 1940 21 such facilities were established by the Government. They are, however, managed and supervised by the Manchuria Labour Association.

Labour Market

Only local organizations or the Manchuria Labour Association are allowed to supervise or manage the labour market, which has been established for the purpose of readjusting the demand and supply of day-labourers and exerting positive efforts for securing work for labourers. The labour market is at present managed solely by the Manchuria Labour Association. At the end of 1940 there were 40 such markets established with the permission of the Minister of People's Welfare, and these labour markets have been attaining good results.

Colliery Labour Administration and Research Society

The Colliery Labour Administration and Research Society was established within the Bureau of Labour of the Department of People's Welfare in January, 1941 for the purpose of conducting scientific studies for improving and rationalizing the present administration of labour affair, particularly colliery labour affairs, in order to increase coal production as much as possible with the limited material and labour available. The president of the Society is the director of the Bureau of Labour, and the members are comprised of mining technicians, representatives of various organs concerned, managers of the Labour Affairs Sections of colliery companies, and persons in charge of colliery clinics and hospitals.

The Society meets about once a month and the chief topics brought up for study are (1) concrete plans for doubling coal production with the present personnel, (2) matters which should be improved and rationalized from the standpoint of labour administration in order to double the efficiency of labourers, and matters which should be given special attention from the standpoint of public health and hygiene in order to double the efficiency of labourers. The results attained so far have exceeded expectations, and much is expected of the future activities of the Society.

Manchuria Labour Association

The Manchuria Labour Association was established on January 7, 1938, as an organ for protecting, guiding and controlling labourers in the country in accordance with the Manchuria Labour Association Law promulgated on December 14, 1937 by Imperial Ordinance No. 456. It is a juridical person capitalized at 400,000 yuan, and is under the control of the Minister of People's Welfare.

Article 1 of the above law reads:

"The Government shall establish the Manchuria Labour Association in order to protect labourers in the country, readjust distribution of labour and to foster labour resources.'

According to Article 3 of the same law the Association will (1) offer its good offices in the recruitment, supplying and transportation of domestic labourers and labourers from abroad, (2) offer its good offices in bringing over (to Manchoukuo) and transporting special labourers, (3) use its good offices in the distribution of labourers from abroad, (4) engage in the registration of labourers and issue identity cards for labourers from abroad, (6) protect and train labourers and manage other facilities, (7) supervise and manage labour markets and operate employment agencies, (8) conduct various investigations and research concerning labour, and (9) tend to other affairs specially ordered by the Government.

Needless to say, establishment of the Manchuria Labour Association was prompted by the progress of the Five-Year Industrial Plan, the situation of the China Affair, and developments in the situation at home and abroad.

On February 26, 1938, the National Mobilization Law was promulgated by Imperial Ordinance No. 19, clarifying the Government's views concerning mobilization of labourers in war-time. In June of the same year Provisional Regulations Concerning Issuance of Labour Cards were promulgated, in accordance with which the Manchuria Labour Association undertook registration of labourers in order to clarify the place of residence each labourer and to minimize criminal offences, thereby contributing towards the sound development of the State. The registration of labourers is also designed to serve as material for studying the movement of labourers and its effects. In addition Regulations Concerning the Taking of Finger-Prints (of labourers) were enacted on January 30, 1938, and this work is being undertaken by the Manchuria Labour Association.

On December 1, 1938, the Labour Control Law, basic legislation for controlling labour was promulgated, and on January 30 of the following year regulations for enforcement of this law were promulgated and were enforced from February 20. On September 23, 1939, the Ordinance Concerning Registration of Occupational Talents was promulgated by an Imperial ordinance.

Meanwhile, the Taito Koshi, Japanese juridical person established in 1935 as an organ for recruiting labourers from abroad, merged with the Manchuria Labour Association on July 1, 1939, in the form of a 250,000 yuan contribution by the Taito Koshi. At the same time, the Association was reorganized and expanded and made into an organ for assisting the Government in effecting unified control of labour.

The first concrete step for controlling labour in Manchuria was taken with the establishment of the Labour Control Committee in December 1932. Regulations for Controlling Foreign Labourers were enacted in March 1935 in accordance with the decision of this committee reached the previous month. It may be said that readjustment of the labour control structure has been completed with the subsequent enforcement of the Labour Control Law.

In view of the urgent necessity of readjusting the demand and supply of labour, protecting and guiding laborers, regulating wages, undertaking systematic training of labourers, preventing completion in the labour market, and readjusting manpower, the Government in January 1940 established the Bureau of Labour in the Department of People's Welfare and Labour Sections in the principal provincial governments in order to ensure efficient administration of labour affairs in the country. In looking over the actual results attained since there are many cases where in the business which had been mostly carried on by the Manchuria Labour Association prior to the establishment of the Bureau of Labour is now actually conducted by this bureau, giving the impression that registration affairs is the principal business of the Association. Although the Association's past achievements are greatly appreciated, it may be said that as a practical matter there are sufficient reasons for discussing the question of merging the Association with the Bureau of Labour.

Herein also undoubtedly lies the reason for the brisking up of the question of re-examining the organization of the Labour Association. At any rate, the Association, in order to cooperate positively in the Government's measures by mobilizing its entire faculties, underwent a structural reorganization in April this year, under which it was reorganized into two Departments, namely General Affairs and Business, with the former made up of the Documents, Personnel, and Finance and Accounts Sections, and the latter composed of the Welfare, Readjustment, and Research Sections. The branches and agencies of the Association were also expanded and strengthened.

While maintaining close contact with the activities of the Concordia Association, the Manchuria Labour Association is proceeding with the solution of important pending problems such as increasing the supply of labour, organizing manpower, rationalizing the methods of recruiting, promoting respect and liking for physical labour, encouraging women to work, and positive utilization of Korean labour.

Cost of Living

The indices of cost of living show a steady advance since the outbreak of the China Incident. Taking 1936 as 100 the average index was up to 261.77 in October, 1941. The greatest advance was witnessed in clothing costs as the following table reveals:

Table 3. GENERAL INDICES OF COST OF LIVING

(A) Hsinking

	1936	1937	1938	1939	1940	1941
Jan.	97.88	105.27	114.02	136.19	184.54	237.29
Feb.	98.16	106.46	117.07	141.95	188.87	239.66
Mar.	98.16	105.83	117.68	147.50	194.91	244.67
Apr.	98.30	106.65	117.41	148.96	205.48	244.58
May	97.92	105.87	120.97	154.19	218.61	245.68
June	98.54	105.64	126.48	156.31	222.19	246.04
July	100.75	105.80	127.61	158.01	225.39	247.99
Aug.	100.74	105.32	126.82	159.19	227.57	248.31
Sept.	101.05	107.59	129.31	164.70	226.45	256.77
Oct.	102.16	108.50	132.45	175.73	228.68	261.77
Nov.	101.19	108.97	131.47	178.43	230.94	
Dec.	104.39	109.18	133.22	184.94	232.98	
Ave.	100.00	106.18	124.54	158.84	215.55	

(B) Mukden

	1936	1937	1938	1939	1940	1941
Jan.	97.99	105.24	117.08	140.46	197.16	243.76
Feb.	98.17	105.66	118.44	143.70	201.04	243.76
Mar.	98.19	106.01	119.85	151.57	210.19	243.89
Apr.	98.89	106.38	120.27	153.05	220.16	242.84
May	99.80	106.01	124.86	153.64	223.70	244.40
June	99.13	104.57	130.08	164.65	229.71	247.95
July	100.00	105.65	133.33	168.63	232.09	250.85
Aug.	100.15	106.14	135.84	174.70	233.10	248.53
Sept.	100.52	108.39	135.12	180.42	231.97	253.34
Oct.	101.90	100.87	138.18	187.24	232.30	263.68
Nov.	101.22	111.27	137.74	189.85	233.50	
Dec.	103.95	112.37	137.43	192.10	243.76	
Ave.	100.00	107.30	128.88	187.12	223.49	

(Continued)

(C) Harbin

	1936	1937	1938	1939	1940	1941
Jan.	99.69	104.39	119.23	135.90	181.33	287.24
Feb.	99.57	105.59	120.56	137.93	185.72	244.30
Mar.	99.10	105.37	120.96	144.18	190.18	249.07
Apr.	98.99	105.13	121.03	147.65	199.73	247.92
May	98.65	104.37	122.39	153.18	200.57	248.28
June	98.81	105.03	127.92	155.71	205.71	251.33
July	99.62	105.85	128.08	157.77	206.41	254.74
Aug.	99.56	106.02	127.43	158.19	218.82	256.45
Sept.	100.09	107.14	127.85	164.11	209.57	261.65
Oct.	101.25	108.87	129.76	171.35	214.84	265.17
Nov.	101.23	110.10	130.73	176.71	223.73	
Dec.	106.56	110.10	131.38	178.75	227.33	
Ave.	100.00	106.49	125.59	158.70	204.45	

Table 4. INDICES OF COST OF LIVING CLASSIFIED

(A) Hsinking

Average:	Food & Drink	Clothing	Dwelling	Fuel & Light	Miscel-laneous	General
1936	100.00	100.00	100.00	100.00	100.00	100.00
1937	101.97	106.59	102.45	100.96	105.35	106.76
1938	124.12	142.29	107.66	110.62	127.36	124.54
„ June .	122.56	159.29	105.03	109.18	128.25	126.48
1939	160.81	205.19	138.38	137.34	145.68	158.84
„ June .	156.22	203.96	138.98	129.51	144.82	156.31
1940	227.21	301.15	168.00	178.26	185.72	215.55
„ June .	229.80	337.21	170.72	168.19	186.69	222.19
1941 June .	270.52	330.63	172.71	206.18	214.66	246.04

(B) Mukden

Average:	Food & Drink	Clothing	Dwelling	Fuel & Light	Miscel-laneous	General
1936	100.00	100.00	100.00	100.00	100.00	100.00
1937	110.89	107.92	101.13	99.89	106.43	107.30
1938	131.21	148.52	104.40	117.88	126.40	128.98
„ June .	129.83	157.61	103.21	116.92	127.07	130.08
1939	175.23	200.32	133.13	161.76	149.87	167.12
„ June .	171.70	199.11	134.76	154.63	147.64	164.65
1940	244.90	283.27	158.40	202.50	187.74	223.49
„ June .	252.20	304.60	158.47	191.91	189.71	229.71
1941 June .	281.69	305.90	159.87	215.95	210.60	247.95

(Continued)

(C) Harbin

Average:	Food & Drink	Clothing	Dwelling	Fuel & Light	Miscel-laneous	General
1936	100.00	100.00	100.00	100.00	100.00	100.00
1937	112.39	105.90	102.23	96.14	106.26	106.49
1938	126.87	140.86	101.88	96.89	139.94	125.59
„ June .	125.02	161.03	101.93	96.18	140.45	127.92
1939	168.12	193.97	123.48	109.88	157.53	156.70
„ June .	164.48	196.37	126.99	104.97	156.85	155.71
1940	240.51	254.56	136.74	142.03	196.00	204.45
„ June .	236.83	266.65	138.53	128.72	199.55	205.71
1941 June .	318.33	300.92	142.24	152.27	238.16	251.33

Wages

A comparison of the wages by industries extended to Japanese and Manchoukuoans is shown in the subjoined table:

Table 5. AVERAGE DAILY WAGES

(Unit: M¥)

	Dairen		Mukden		Hsinking		Harbin		Tsitsihar	
	M.	J.	M.	J.	M.	J.	M.	J.	M.	J.
arpenter:										
1935 Ave.	1.38	3.20	1.37	3.38	1.58	3.61	1.61	3.25	—	—
1936 „	1.40	3.20	1.50	3.50	1.57	3.53	1.71	3.38	—	—
1937 June ...	1.40	3.20	1.50	3.50	1.85	3.90	1.60	3.60	1.40	3.40
„ Dec.	1.60	3.20	1.50	3.50	1.90	4.00	1.80	3.50	1.30	3.00
1938 June ...	1.50	3.20	1.60	3.50	1.60	4.00	1.50	4.00	1.50	3.20
„ Dec.	1.50	3.20	2.10	3.50	1.70	4.30	1.60	4.20	2.00	4.00
lasterer:										
1935 Ave.	1.66	3.50	1.47	3.42	1.81	3.95	1.63	3.33	—	—
1936 „	1.52	3.50	1.77	3.54	1.77	3.91	1.71	3.42	—	—
1937 June ...	1.50	3.50	1.60	4.00	2.10	4.50	1.60	3.60	1.40	3.20
„ Dec.	1.40	3.50	1.50	4.00	2.00	4.20	1.80	3.50	1.40	3.20
1938 June ...	1.60	3.50	1.90	4.50	1.75	3.70	1.70	4.00	1.60	3.40
„ Dec.	1.50	3.50	2.10	4.50	1.75	4.00	1.70	4.20	2.00	4.20

(Continued)	Dairen M.	Dairen J.	Mukden M.	Mukden J.	Hsinking M.	Hsinking J.	Harbin M.	Harbin J.	Tsitsihar M.	Tsitsihar J.
Blacksmith:										
1935 Ave.	1.18	2.94	1.38	3.43	1.78	3.98	2.07	7.00	—	—
1936 „	0.94	2.69	1.50	3.50	1.78	3.72	1.69	3.76	—	—
1937 June ...	1.00	2.70	1.50	3.50	2.10	4.50	1.60	3.20	1.20	3.20
„ Dec.	1.00	2.70	1.50	3.50	2.50	4.40	1.70	3.40	1.40	3.20
1938 June ...	1.60	3.50	1.60	4.00	1.90	5.00	1.70	4.00	1.20	3.20
„ Dec.	1.70	2.70	1.80	4.00	2.00	5.00	2.00	4.20	1.80	4.00
Stone-mason:										
1935 Ave.	1.29	3.50	1.52	3.50	1.55	3.95	1.63	4.20	—	—
1936 „	1.21	3.50	1.73	3.50	1.68	3.67	1.60	4.50	—	—
1937 June ...	1.20	3.50	1.60	3.50	1.60	4.00	1.60	—	1.20	3.20
„ Dec.	1.20	3.50	1.60	3.50	1.80	3.80	1.60	—	1.40	3.20
1938 June ...	1.50	4.00	1.60	3.50	1.60	4.30	1.50	4.00	1.20	3.00
„ Dec.	1.20	3.50	1.60	4.00	1.70	4.00	2.00	4.20	1.80	3.80
Free Laborer:										
1935 Ave.	0.84	1.50	0.60	2.50	0.70	2.50	0.80	1.94	—	—
1936 „	0.80	2.00	0.63	2.67	0.69	2.20	0.99	1.95	—	—
1937 June ...	0.80	2.00	0.70	2.50	0.70	2.50	1.00	1.80	0.50	1.10
„ Dec.	0.85	2.00	0.70	2.50	0.80	2.40	1.00	1.80	1.10	2.00
1938 June ...	0.60	2.00	0.85	3.00	0.85	2.60	0.75	2.50	0.80	1.50
„ Dec.	0.60	2.00	1.10	3.50	1.00	2.70	0.80	2.80	1.00	2.60
Shoe-maker:										
1935 Ave.	1.38	2.58	1.50	2.28	1.60	2.50	60.00*	120.00*	—	—
1936 „	1.45	2.50	1.50	2.30	1.60	2.50	60.00*	120.00*	—	—
1937 June ...	1.50	2.50	1.50	2.30	1.60	2.50	60.00*	120.00*	1.00	2.40
„ Dec.	1.50	2.50	1.50	2.50	1.60	2.50	60.00*	120.00*	1.20	2.20
1938 June ...	1.50	2.50	1.50	2.50	1.70	2.50	60.00*	120.00*	1.40	2.20
„ Dec.	1.50	2.00	1.50	2.50	1.70	2.50	55.00*	120.00*	2.00	3.60
Tailor:										
1935 Ave.	1.84	2.49	1.96	2.04	50.00*	75.00*	65.00*	120.00*	—	—
1936 „	1.70	2.28	2.00	2.00	52.50*	59.17*	65.00*	120.00*	—	—
1937 June ...	1.40	2.20	2.00	2.00	55.00*	60.00*	65.00*	120.00*	1.20	2.20
„ Dec.	1.50	2.20	2.00	2.00	70.00*	75.50*	65.00*	120.00*	1.20	2.30
1938 June ...	1.50	2.30	2.00	2.00	60.00*	65.00*	65.00*	120.00*	1.40	3.00
„ Dec.	1.50	2.50	2.00	2.00	100.00*	—	65.00*	120.00*	2.00	3.80
Printer:										
1935 Ave.	1.45	2.84	0.88	1.50	1.15	3.31	60.00*	120.00*	—	—
1936 „	1.52	2.79	0.90	1.50	1.25	2.88	60.00*	120.00*	—	—
1937 June ...	1.40	2.80	0.90	1.50	1.22	3.22	60.00*	120.00*	1.20	2.20
„ Dec.	1.40	2.80	0.90	1.50	1.37	3.64	60.00*	120.00*	1.20	2.20
1938 June ...	1.40	2.70	0.90	1.50	1.36	3.49	60.00*	120.00*	1.40	2.40
„ Dec.	1.50	3.00	0.90	1.50	1.31	2.93	60.00*	120.00*	1.60	3.40

Labor Disputes

While new figures on labor disputes are unavailable, the following tables show the trend from 1930 to 1936.

Table 6. LABOR DISPUTES

Number of Labor Disputes, Participants, etc.

	Number of cases	No. of Participants	No. of Participants per case	No. of days	No. of days per case
1930	35	2,785	80	114	3.3
1931	20	3,031	152	92	4.6
1932	8	1,134	142	23	2.9
1933	29	6,345	219	81	2.8
1934	11	863	78	52	4.7
1935	13	1,076	83	32	2.5
1936	13	1,129	87	46	3.5

(Continued)

Labor Disputes by Industries

	Mfg. Industry	Mining	Transportation	Civil engineering	Others	Total
1930	16	10	5	4	—	35
1931	10	2	3	3	3	20
1932	5	—	1	—	2	8
1933	23	1	1	—	4	29
1934	9	—	1	—	1	11
1935	10	—	3	—	—	13
1936	7	—	4	—	2	13

Table 7. LABOR DISPUTES BY CAUSES

	For Higher wages	Against wage decrease	Demands for wage payment	Complaint against treatment	Complaint against system	For Shorter working hours	Collision of feeling	Total incl. others
1930	11	4	4	2	5	—	5	35
1931	6	2	3	2	2	—	4	20
1932	4	—	1	2	1	—	—	8
1933	12	2	4	3	—	2	3	29
1934	4	3	—	1	1	—	2	11
1935	5	—	2	—	4	—	2	13
1936	3	—	3	—	6	—	1	13

CHAPTER XXVI

CULTURAL ACTIVITIES

EDUCATION

Historical

Popular education in Manchuria up to the end of the great Ching dynasty, founded by the Manchu races, was conducted for the most part by private schools which were of various kinds. There were cases of villagers jointly engaging the services of a teacher and using a room in a Buddhist temple as a class-room; of wealthy families engaging private tutors to teach their children in their own homes; and of teachers opening their own schools and receiving applications for enrollment. Only such subjects as reading, writing and abacus calculation, which are necessary in everyday life, and the Confucian Scriptures were taught in all of these schools. There was no systematic education. The age limits of pupils and the lengths of courses were indefinite. Education was conducted freely under a principle entirely different from that of present-day school education. It is needless to say that the school equipment were poor and inadequate, and the educational standard low. There were some Government and public schools but there was little to choose between them and private schools in standard.

When relations with leading European and American countries became intensified towards the end of the Ching dynasty, a need of improving all the educational facilities by introducing the advanced educational methods of these nations came to be keenly felt, and finally in 1902, a new educational system was enforced. It was, however, not until after Russo-Japanese War (1904-05) that the European and American methods of education were actually introduced. The private schools were gradually renovated and were renamed primary schools. A sweeping revision of the curricula was made, while at the same time efforts were made to raise the standard of the teachers by giving them a course in teaching. Students were sent to Japan to study in the leading educational institutions in that country. A number of provincial middle schools and normal schools were founded, but they were far from reaching the level of similar institutions in the leading countries of Europe and America.

The year 1912 saw the downfall of the Ching dynasty, when a serious revolution broke out in China proper and resulted in the establishment of the Republic of China. A general revision of the educational system was simultaneously effected and a new education based on the spirit underlying the foundation of the Chinese Republic was enforced. As the influence of the new regime extended to Manchuria, the educational facilities there were gradually remodelled according to the above system.

Further improvements were made in 1922, taking into consideration the results obtained during the past ten years, and a new educational system somewhat modelled after the American system, was put in force. Under the new system, the educational institutions were divided into lower primary school (4 years), higher primary school (2 years), junior middle school (3 years), senior middle school (3 years), college (2-3 years), and university (4-5 years). The senior middle schools were patterned after the American high school system, and were classified into ordinary, normal, agricultural, engineering and commercial schools. Those completing the senior middle school course were admitted into colleges and universities. In addition to the above institutions, vocational schools, which admitted graduates of primary schools, were founded.

The educational system had thus been readjusted on the whole. Meanwhile, the warlord, Chang Tso-lin, had already established himself on firm ground and had succeeded in establishing the so-called Northeastern regime. Burning with ambition to rule over the whole of China, Chang Tso-lin and his son continuously fought with other warlords in China proper, sending large armies across the Great Wall, for the upkeep of which they imposed heavy, unjust taxes upon the people. Practically no attention was paid to cultural facilities and hardly any progress was witnessed in the field of education up to the advent of Manchoukuo.

The foregoing is an outline of the progress of school education in Manchuria from the time the new educational system was introduced up to the outbreak of the Manchurian Incident. A study will next be made of the nature and standard of the educational facilities under the former regime.

According to the final statistics compiled by the Northeastern regime, the number of educational institutions throughout Manchuria in 1929 was as follows:

	No. of institutions	Enrollement
Elementary education		
Lower and higher primary schools	12,465	752,756
Secondary education		
Middle schools	173	30,140
Normal schools	126	—
Vocational schools	56	3,523
Higher education		
Universities and colleges	9	3,617.

At a glance the above table gives one the impression that school education, particularly elementary education, was considerably diffused under the former regime, but it should be remembered, for example, that out of the total of 10,115 primary schools in Fengtien Province, the most developed province among the three former Northeastern provinces which constituted Manchuria, 90 per cent or 9,166 schools were lower primary schools with a four year course. Furthermore, the average number of pupils and teachers per school were only 55 and 1.7 respectively. From these figures it can readily be deduced that the greater part of the primary schools were one class or two class schools. Moreover, even though the educational system of the Kuomintang Government was adopted and text-books authorized by the Ministry of Education used, no efforts were made to raise the standard of the primary schools which were still very miserably equipped. The percentage of primary school attendance was also very low. In Fengtien Province only 34 per cent of the children of school-going age attended school. In Kirin Province the percentage was 17 per cent, and in Heilungkiang Province it was 11 per cent.

In considering the condition of the primary schools mentioned above, one can easily surmise the quality of secondary and higher education in Manchuria under the former regime. An investigation made in 1933 revealed that out of the total number of middle school teachers in Fengtien Province, one-half were uncertified

teachers. It was found that many students, who had graduated only from junior middle schools, were attending the Northeastern and Feng Yung Universities in Mukden and the Kirin University, and that the standard of these institutions was far from the principle of university education made public by the Ministry of Education to the effect that "Higher learning shall be prosecuted and specialists shall be trained."

The standard of education under the warlord administration may be more clearly understood by comparing it with the remarkable progress of school education witnessed in the Japanese-administered Kwantung Leased Territory and the South Manchuria Railway Zone.

Simultaneously with its establishment in 1907, the South Manchuria Railway Company, in accordance with a decree of the Japanese Government, directed its efforts to the establishment and improvement of cultural facilities in the S.M.R. Zone. It spent huge sums of money in the establishment of well equipped primary and middle schools, colleges and universities for the education of not only the young Japanese but also the native population in the Railway Zone. Many educational institutions were also founded in the Kwantung Leased Territory through the efforts of the Japanese authorities in concert with the S.M.R. Company. Within a short period of three decades since the inception of Japanese administration, the educational institutions in the Leased Territory and the S.M.R. Zone have attained a standard which can be compared comfortably with that of Western nations. These institutions, needless to say, have made a great contribution to the development and cultural advancement of Manchuria.

In studying school education under the former regime, the fact that it was extremely anti-foreign and anti-Japanese cannot be overlooked. Anti-foreign education had already been conducted in all the schools from the time Chang Tso-lin came into power, but it was greatly intensified when the "Young Marshal" succeeded his father and introduced education based on the "Three Principles of the People" in concert with the Kuomintang Government. In all the courses including language, geography, history, singing and arithmetic, text-books authorized by the Kuomintang Government, in which anti-foreign ideas were cleverly woven, were used in an effort to imprint such ideas in the minds of children from the very time they began attending school. This unjustifiable anti-Japanese education was one of the remote causes of the outbreak of the Manchurian Incident.

Education Under Manchoukuo Administration

Immediately after the establishment of Manchoukuo, the Government promulgated an ordinance prohibiting the use of the anti-foreign and anti-Japanese text-books based on the San Min Principles, and instructed all schools to teach the Confucian Scriptures. On the other hand, the authorities of the Department of Education, in accordance with the policy of using national text-books in order to drive home the meaning of the spirit underlying the foundation of Manchoukuo, commenced compiling school-books. The compilation of authorized text-books for all courses has now been almost completed.

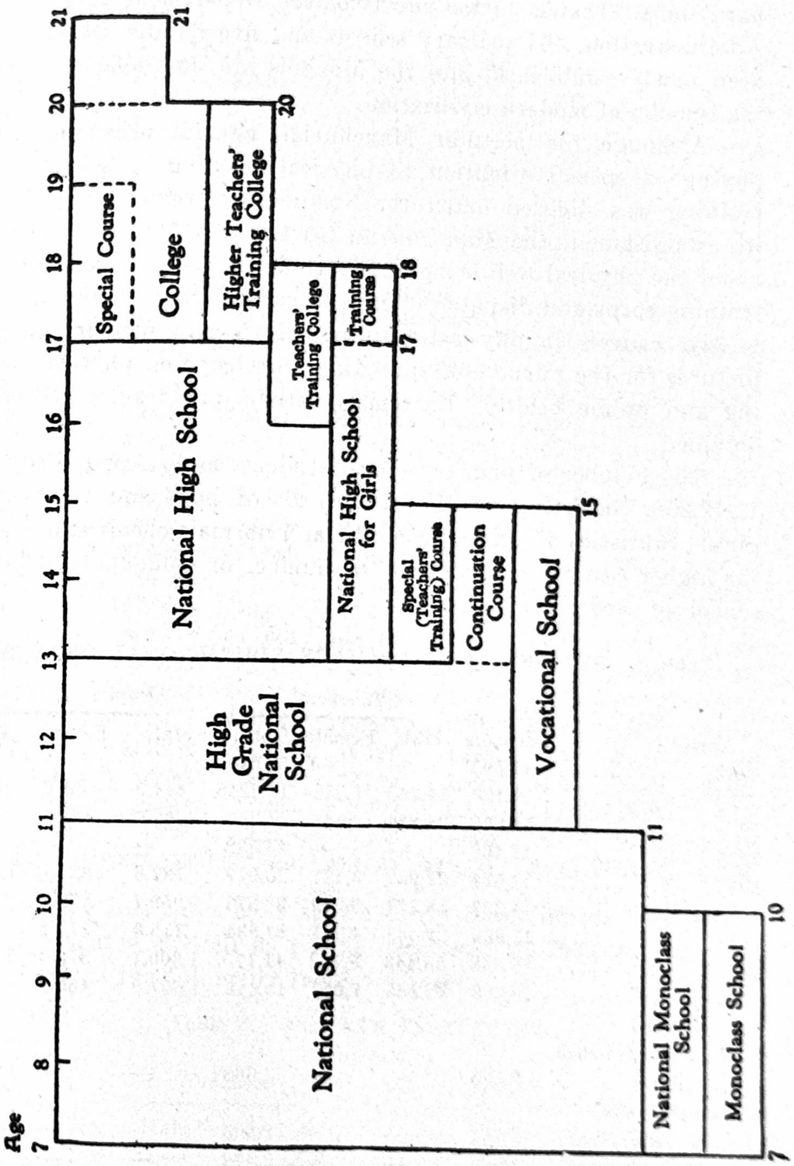
In their efforts also to elevate the general standard of the teachers, which was very low, the educational authorities opened a teachers' training school in Hsinking in April, 1933, and placed it under the direct supervision of the Department of Education. At this institute a three-month course in teaching was given to the teachers who were successively trained in batches of 100. On the other hand, a number of teachers were sent to Japan to study each year, while the services of competent Japanese teachers were engaged to improve the teaching personnel.

The supervisory power of the educational authorities over all the schools was also strengthened. Furthermore, efforts have been made to accord better treatment to teachers and to guarantee their position, which had hitherto been insecure owing to the contract system practised by the school principals, another of the evils of school education under the former regime .

Despite the pressing need of improving vocational education in order to exploit the abundant natural wealth of Manchuria, vocational education was entirely ignored under the Northeastern regime. Since the establishment of Manchoukuo the Government had made constant efforts to promote vocational education, particularly agricultural education.

The education of the Mongols living in Manchuria, which was practically neglected under the former regime (there were only a few poorly equipped primary schools), has also not been over-

THE EDUCATIONAL SYSTEM OF MANCHOUKUO


Age
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20
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Special Course
College
Higher Teachers' Training College
Teachers' Training College
Training Course
National High School
National High School for Girls
Special (Teachers' Training) Course
Continuation Course
Vocational School
High Grade National School
National School
National Monoclass School
Monoclass School

looked by the Government in its efforts to spread education in the new State. Thanks to the efforts of the Department of Mongolia Administration, 461 primary schools and five middle schools have been newly established, and the Mongols are now able to receive the benefits of modern civilization.

Although the peculiar Manchurian climate necessitates the paying of special attention to physical training in schools, this training was slighted under the Northeastern regime. Following its establishment the Manchoukuo Government, deeply concerned about the physical well-being of school children, organized physical training corps and dispatched them to various parts of the country to give courses in physical training. It is also utilizing motion pictures for the purpose of spreading knowledge on physical training and public health. Extremely satisfactory results are being obtained.

The number of primary school students as in April, 1940 was 1,972,258, consisting roughly two-thirds of boys and the rest of girls. Statistics of primary, middle and normal schools and organs for higher education as well as the number of students of primary school age are given below:

Table 1. STATISTICS OF PRIMARY EDUCATIONAL ORGANS

		Teachers			Pupils (1,000)		
April:	No. of Schools	Male	Female	Total	Male	Female	Total
1932	11,595	—	—	30,548	—	—	662.8
1933	9,128	14,762	1,532	16,294	414.3	88.0	502.2
1934	12,896	21,824	2,441	24,265	662.6	168.4	831.0
1935	13,468	—	—	24,832	—	—	897.8
1936	13,674	22,956	3,121	26,077	787.8	224.7	1,012.5
1937	14,337	25,171	3,703	28,873	952.1	279.0	1,231.1
1938	13,990	29,443	4,391	33,834	1,115.0	315.1	1,430.1
1939	19,348	35,443	5,732	41,175	1,309.1	373.0	1,681.9
1940	19,908	38,585	7,063	45,648	1,507.0	465.3	1,972.3
„ (June)							
Kuomin Hsu-sheh							
(public)	2,395	—	—	3,608	—	—	167.9
Kuomin Ishu							
(private)	2,161	—	—	2,203	—	—	68.1
Szushu (private)	1,968	—	—	2,172	—	—	47.9
Kuomin School							
(public)	8,323	—	—	32,598	—	—	1,462.5
(private	155	—	—	664	—	—	28.1
Kuomin Upper Class							
(public)	2,142	—	—	6,918	—	—	238.0
(private)	67	—	—	211	—	—	7.6
Special School							
(public)	10	—	—	32	—	—	1.1
(private)	6	—	—	19	—	—	0.5
TOTAL	18,227	—	—	48,425	—	—	2,021.7

Table 2. CHILDREN OF PRIMARY EDUCATION AGE

(1938)

	Children of School Age		Children Attending School				
	Male	Female	Male	Female	Male %	Female %	Average %
Hsinking ..	10,908	5,685	9,297	4,947	85.23	87.02	85.84
Kirin	426,421	268,301	176,681	50,288	41.43	18.74	32.67
Lungkiang .	185,850	138,894	87,483	21,698	47.07	15.62	33.62
Heiho	4,651	2,913	3,492	1,945	75.08	67.12	71.87
Sankiang ..	93,390	50,663	32,621	9,033	34.92	17.83	28.92
Mutankiang .	60,875	38,479	29,416	10,331	47.32	26.85	40.00
Pingkiang .	388,896	195,090	147,409	46,464	37.90	23.82	33.20
Chientao ...	56,565	25,233	36,439	11,093	64.42	43.96	58.11
Tunghua ...	59,965	40,487	37,001	9,598	61.70	13.71	46.39
Antung	200,912	143,061	102,305	24,263	50.92	16.96	36.80
Fengtien ..	603,622	601,343	405,379	161,555	67.16	26.87	47.05
Chinchow ..	342,036	202,512	195,838	52,242	56.26	25.80	45.56
Jehol	211,423	127,931	115,828	10,938	54.78	8.55	37.36
Hsingan W. .	114,262	7,416	10,166	1,268	8.90	17.09	9.40
„ S. .	53,843	42,816	22,313	7,999	41.44	18.68	31.36
„ E. .	10,844	7,395	3,500	1,235	11.39	16.70	25.96
„ N. .	4,096	3,220	3,195	1,696	78.00	52.67	66.85
Total ...	2,828,559	1,901,439	1,418,363	426,593	50.14	22.44	39.01

Private institutes have shown tardy development. The number of teachers as well as pupils decreased in 1939 as compared with 1937 as the following table indicates:

Table 3. PRIVATE INSTITUTES

(Sussu)

		Teachers			Pupils			Per teacher
	No.	Male	Female	Total	Male	Female	Total	Annual Income (M¥)
1935 ...	7,037	—	—	7,205	12,759	7,653	128,412	109.28
1936 ...	8,279	8,309	59	8,368	159,634	9,982	169,616	136.00
1937 ...	7,808	7,899	138	8,037	158,633	12,459	171,092	143.67
1939 ...	5,339	5,349	80	5,429	137,055	12,521	149,576	—

Statistics of kindergartens are given in the following table:

Table 4. KINDERGARTENS

	Number			Teachers			Pupils		
	Public	Private	Total	Male	Female	Total	Male	Female	Total
1935	24	21	45	16	76	82	1,398	924	2,322
1936	24	7	31	4	52	56	923	709	1,632
1937	28	9	37	3	60	63	1,061	734	1,795
1938	19	16	35	—	—	59	1,294	849	2,143

THE NEW EDUCATIONAL SYSTEM IN MANCHOUKUO

As stated before, no efforts were spared by the Manchoukuo authorities to promote the educational cause of the country. Since they were faced with the huge task of readjusting the educational facilities established under the former regime, they had little time to devote themselves to effecting a fundamental reorganization of the educational system, and were for a time compelled to carry on the old system at great inconvenience.

However, when reorganization along positive lines became possible with the improvement of educational facilities on the whole after a lapse of six years since the birth of the new State, the Manchoukuo Government, with the object of realizing the ideals for which Manchoukuo was founded, decided to carry out a sweeping reform of the educational system and organized a committee for the purpose in 1935. On the basis of the results of careful investigations conducted by this committee for many months, the Government enforced a new system on January 1, 1938, which revolutionized education in the new State.

The fundamental educational policy under the new system is to build up character by laying emphasis upon spiritual education, to develop the spirit of service by attaching importance to vocational education, and on the basis of these two forms of education, to impart academic and technical knowledge. The distinguishing characteristics of the new educational system are firstly, the emphasis placed upon spiritual training particularly in order that younger generation may be able to grasp the great ideals which motivated the foundation of Manchoukuo, secondly, the avoidance of undue emphasis upon mental training as in the past, and thirdly, the attaching of much importance to the kind of education to conform to the needs of actual life and actual conditions in Manchuria.

Elementary Education

The principal object of elementary education is to give basic and practical education to children in order to develop them into useful, law-abiding citizens. Elementary education is conducted in three kinds of schools, viz., the National School (國民學校), the National Monoclass School (國民學舍), and the High Grade National School (國民優級學校). These schools are established by special municipalities, hsien (country), banner, town or village offices or by private citizens, but the approval of the Provincial Governor concerned is necessary for their establishment as well as abolition.

The National School. This school forms the basis of national education. It offers a four year course to children seven years or over according to the Manchurian way of counting age (six in the foreign way). The four year course was decided upon as most suited in the light of present conditions in the provinces. As the present percentage of national school attendance is still as low as 23, no maximum age limit has been set for admission into the first grade in order to give as many children as possible, who are not attending school, an opportunity to receive education.

The National Monoclass School (and the Monoclass School). These schools are established as substitutes for national schools in those districts where the establishment of national schools is difficult or inappropriate because of poor means of communication and the undeveloped state of the districts. The aim of these schools is to give national education in a simplified form, the course being from one to three years.

Although it would be ideal to give national education in the national schools, the education of the general public, as already mentioned, has hitherto been for the most part conducted by private schools of which there are about ten thousand scattered in different parts of the country. It is impossible to reorganize all of them immediately into national schools because of various circumstances. The educational authorities have therefore decided to bring about their gradual reorganization. As intermediate measures towards this end, efforts are being made to improve the efficiency of teachers and the standard of education, while the public schools have been renamed National Monoclass Schools and private schools, Monoclass Schools (國民義塾). Both classes of schools have been designated as auxiliary establishments of the national schools. It is planned to reorganize them gradually into national schools as their standard rises. Those graduating from national monoclass schools are qualified to enter the third or fourth grade of national schools.

The High Grade National School. Since those graduating from national schools are young and are not yet sufficiently developed mentally and physically to enter high schools or go out into the world, the High Grade National Schools purport to serve as intermediary institutions for national school graduates intending to pursue further studies and also to train such graduates in a manner which will make them useful immediately upon entering society. Graduates of national schools or persons above eleven years of age of similar scholastic standing are eligible for enrollment in the high grade national schools which offer a two year course. They may have separately a continuation (or supplementary) course of one or two years.

Secondary Education

There are two kinds of schools belonging to this category, namely, the National High School (國民高等學校) and the National High School for Girls (女子國民高等學校). These schools are established by provincial governments, special municipalities or private persons, but the approval of the Minister in charge is necessary for their establishment or abolition.

Under the former educational system undue emphasis was placed upon mental training in the middle schools (the institutions of secondary education), and vocational training was given only in a few high grade middle schools. In the light of actual conditions in Manchuria, however, vocational education is more necessary than mental training. The outstanding characteristic of secondary education under the new system is the emphasis placed upon national education based on vocational education so as to turn out men and women who will form the backbone of the nation.

Both the national high schools and the national high schools for girls offer a four year course and admit graduates of high grade national schools or those above thirteen years of age of similar scholastic standing. The national high schools for girls have attached to them, a one year normal school course for training prospective national school and high grade national school teachers. Graduates of national high schools for girls or students of similar scholastic standing are eligible for this course.

Table 5. STATISTICS OF SECONDARY SCHOOLS

April:	No. of Schools	Teachers			Students (1,000)		
		Male	Female	Total	Male	Female	Total
1932	380	—	—	3,466	—	—	47.3
1933	263	—	—	2,057	23.6	10.0	33.6
1934	346	2,552	289	2,841	30.3	10.5	40.8
1935	324	2,262	158	2,420	30.5	8.4	39.0
1936	308	2,023	595	2,628	31.2	8.5	39.7
1937	251	1,884	593	2,477	36.1	9.3	45.5
1938	250	—	—	2,741	43.9	11.2	55.0
1939	254	—	—	2,904	47.8	12.5	60.4
1940	215	—	—	3,116	53.7	15.2	68.9

Table 6. SECONDARY SCHOOLS BY PROVINCE

(Inclusive of Private Schools)

(As in June, 1941)

	Normal Schools		Higher National Schools							
			Agriculture		Engineering		Commerce		Marine	
	No.	Class	No.	Class	No.	Class	No.	Class	No.	Class
Hsinking ..	1	2	1	4	1	12	3	33	—	—
Kirin	1	12	10	38	3	16	2	19	—	—
Lungkiang .	1	12	7	27	2	8	1	13	1	2
Peian	1	9	7	35	—	—	—	—	—	—
Heiho	—	—	1	4	—	—	7	—	—	—
Sankiang ..	1	9	3	18	—	—	—	—	—	—
Tungan ...	—	—	2	5	—	—	—	—	—	—
Mutankiang.	1	6	1	7	1	4	—	—	—	—
Pinkiang ..	1	18	10	52	1	14	3	38	—	—
Chientao ..	1	8	3	19	1	8	2	12	—	—
Tunghua ..	1	7	3	12	2	8	—	—	—	—
Antung	1	11	7	48	1	8	3	22	—	—
Fengtien ..	4	56	22	174	8	51	15	128	1	4
Chinchow ..	1	15	9	66	1	8	2	13	—	—
Jehol	1	17	9	27	—	—	1	8	—	—
W. Hsingan	—	—	2	7	—	—	—	—	—	—
S. Hsingan	1	5	3	13	—	—	—	—	—	—
E. Hsingan	1	6	1	4	—	—	—	—	—	—
N. Hsingan	—	—	2	8	—	—	1	4	—	—
Total ...	18	193	103	568	21	137	34	290	2	6

(Continued)

	Girls' Higher National Sch.		Boys' Vocational Sch.		Girls' Vocational Sch.		Special Sch.		Grand Total	
	No.	Class	No.	Class	No.	Class	No.	Class	No.	Class
Hsinking ..	2	19	3	22	2	5	7	35	20	132
Kirin	2	19	11	25	1	3	3	7	33	139
Lungkiang .	3	16	2	3	1	2	2	3	20	86
Peian	4	14	1	1	—	—	—	—	13	59
Heiho	1	3	—	—	—	—	1	1	3	8
Sankiang ..	1	5	2	5	1	2	—	—	8	39
Tungan ...	—	—	1	2	—	—	1	1	4	8
Mutankiang.	1	4	1	2	—	—	—	—	5	23
Pinkiang ..	5	32	7	22	4	7	16	56	48	239
Chientao ..	3	14	2	15	—	—	2	2	13	78
Tunghua ..	2	5	4	7	—	—	—	—	12	39
Antung	6	28	—	—	—	—	1	1	19	118
Fengtien ..	21	108	11	40	9	17	20	129	111	707
Chinchow ..	5	24	4	8	2	4	1	2	26	140
Jehol	1	4	2	2	—	—	1	4	15	62
W. Hsingan	—	—	1	3	—	—	1	2	4	12
S. Hsingan	1	3	4	10	1	2	—	—	10	33
E. Hsingan	—	—	2	5	—	—	—	—	4	15
N. Hsingan	—	—	—	—	—	—	1	2	4	14
Total ...	58	298	58	172	21	42	57	245	372	1,951

Higher Education

This stage of education embraces colleges and aims at turning out men and women who will become leading citizens of the nation, by teaching advanced theories and practice in sciences and arts. These institutions are established by the State, provincial governments, special municipalities or private persons, but are supervised by the Minister in charge.

The colleges offer a three year course (which may be extended to four years, if necessary) and those eligible for enrollment are graduates of national high schools and national high schools for girls or persons of similar scholastic standing. They have separately a special course for the benefit of those desiring to study in specified subjects within a relatively short period.

As the present institutions for higher education are still inadequate, the Government plans to establish gradually various types of colleges in the future as occasion demands.

Normal School Education

As facilities for giving normal school education, there are

(1) the Teachers' Training College (師道學校), and (2) the Higher Teachers' Training College (師道高等學校).

The Teachers' Training College. These institutions turn out elementary school teachers and are established by provincial governments or special municipalities. The approval of the Minister in charge is necessary for their establishment as well as abolition. The teachers' training colleges offer a two year course and admit students who have completed three years at a national high school or those of similar scholastic standing. They have separately a simplified special course of two years to which are admitted graduates of institutions above high grade national schools with a view to turning out national monoclass school teachers and assistant teachers of national schools and high grade national schools in order to insure sufficiency in these teachers.

The Higher Teachers' Training College. This institution aims at turning out instructors of teachers' training colleges and teachers of national high schools and national high schools for girls. It is a State establishment and is supervised by the Minister in charge. Its course is three years and those eligible for enrollment are graduates of the three above-mentioned institutions or persons of similar scholastic standing.

Table 7. NORMAL SCHOOLS
(1941)

	No. of Schools	Teaching Staff	Students Male	Students Female	Total
Higher Normal School	1	63	354	—	354
" " "	1	—	—	110	110
Temporary Training Institute	8	26	490	—	490
Normal Schools	18	451	6,848	—	6,848
Central Training Institute ..	1	22	275	—	275
Agricultural Training Institute	1	4	42	—	42

Vocational Education

Vocational education is given in Vocational Schools (職業學校), and aims at turning out men and women of sound ideas and technical ability by imparting to them such knowledge and technique necessary to qualify them for various occupations in life. The course is, in principle, two or three years. Those over thirteen years of age who are graduates of national schools, or persons of similar scholastic standing are qualified to enter vocational schools.

The Tatung Academy

Of the various educational institutions founded since the birth of Manchoukuo, the Tatung Academy (大同學院) in Hsinking is probably the most unique.

The Tatung Academy was established for the purpose of training government officials and young men entering government service, in the spirit underlying the foundation of Manchoukuo and also practically, to qualify them for the task of building up the new State. It was founded in July, 1932, only a few months after Manchoukuo was born, because the training of many such men was vitally necessary at the time.

This unique establishment is under the control of the General Affairs Board of the State Council, and admits graduates of institutions above higher schools and colleges, and officials already in government service. It is divided into two sections, one for Japanese and the other for Manchurians. Besides giving necessary courses in political science, economics, geography and history, the Tatung Academy conducts surveys of actual rural conditions, lets Japanese students travel in various parts of Manchoukuo, and sends Manchurian students to tour Japan.

Since the need for personnel in the Manchoukuo Government is very urgent, the length of the course is especially shortened to six months during which all the students are ordered to observe strict, regulated dormitory life in order to receive thorough training.

Graduates of the Tatung Academy bravely proceeded to their government posts in remote parts of the country, where peace and order had not yet been established at the time of the inception of Manchoukuo, and exerted themselves for the realization of a government based on Wangtao. Unfortunately there are not a few who met a tragic end at the hands of bandits in the pursuit of their duties. The great service they rendered in building up the new State will be especially remembered in the history of the foundation of Manchoukuo.

The National University

Like the Tatung Academy the National University (建國大學) is also an unique educational establishment. It was founded in Hsinking in May, 1938, with the object of propagating the spirit in which the new State was founded, and of educating men who will become builders of a moral society and leaders in the work of national enlightenment. It is under the direct supervision of the Premier. All educational expenses of the students admitted to this institution are borne by the State.

The National University offers a six year course, divided into two courses of three years each. Those who have completed secondary education are admitted to the basic course upon passing entrance examinations. Those finishing this course and graduates of colleges and universities are admitted into the advanced course after rigorous selection. Higher ordinary education in chiefly given in the basic course, with emphasis placed upon the study of the spirit of national foundation and actual training for developing the spirit of service, which is also given in the advanced course. The subjects taught in the advanced course are political science, economics, logic and philosophy. All the students are housed in dormitories in order to inculcate discipline and the spirit of self-government. The National University was opened with an enrollment of 150 in the basic course.

The National University, according to plans, will have separately a graduate school and a research institute. The former will admit those graduating from the advanced course or those of similar scholastic standing, who will further specialize in their selected fields. The faculty will form the organization of the research institute which will serve as an agency for research in various studies.

The improvement in the quality of educational institutions is noted from the marked increase in the number of pupils and students in contrast to the increase in the number of schools. The sharp decrease in the number of normal schools attracts attention, but this was due to the step taken by the Manchoukuo authorities in gradually closing many of the normal schools established under the former regime (which were very poorly equipped and inefficient and were not fitted as facilities for training teachers) and in instituting a high standard normal school education.

Table 8. YEARLY COMPARISON OF HIGHER EDUCATIONAL ORGANS

	No. of Schools	Teachers			Students		
		Male	Female	Total	Male	Female	Total
1932	3	—	—	34	—	—	171
1933	3	—	—	35	—	—	160
1934	5	—	—	95	—	—	544
1935	9	235	13	248	1,033	170	1,203
1936	10	239	14	258	1,604	238	1,842
1937	10	250	14	264	2,215	25	2,240
1938	11	370	16	386	2,786	141	2,927
1939	14	558	38	596	3,988	384	4,372
1940	12	479	12	491	4,420	283	4,703

Table 9. HIGHER EDUCATIONAL ORGANS

Name	Locality	Term (years)
Higher Normal School	Kirin	three
Higher Normal School (Girls')	Hsinking	three
Fengtien Agricultural College	Mukden	three
Hsinking Veterinary College	Hsinking	three
Harbin Agricultural College	Harbin	three
Harbin Engineering College	Harbin	four
Hsinking Engineering College	Hsinking	four
Fengtien Engineering College	Mukden	four
Hsinking Medical College	Hsinking	four
Fengtien Pharmacist Training Institute	Mukden	three
Harbin Medical College	Harbin	four (medical) three (dental)
Chiamussu Medical College	Chiamussu	four
Hsinking Law (Hosei) College	Hsinking	three
Harbin Academy	Harbin	four
Harbin Land Development Medical Academy	Harbin	two
Tsitsihar Land Development Medical Academy	Tsitsihar	two
Lungtsing Land Development Medical Academy	Lungtsing	two
North Manchuria Academy	Harbin	three (commerce) four (engineering)
Chengkin Medical College	Mukden	four
Fengtien Commercial Academy	Mukden	three

Despatch of Students to Japan

It is the government's policy to despatch Manchoukuoan students to Kwantung province and Japan for further study, and dormitories for lodging such students are established at both locations. Latest statistics on this activity are given below:

Table 10. STUDENTS DESPATCHED FOR FURTHER STUDY BY THE MANCHOUKUO GOV'T

(Classified by Locality)

	Within Manchoukuo		Kwantung		Japan		
	Male	Female	Male	Female	Male	Female	incl. others
1935	78	—	31	—	1,083	131	1,324
1936	931	80	31	—	955	78	2,130
1937	299	5	73	—	1,670	174	2,221
1939	392	6	83	—	1,077	127	1,695
1940	392	—	84	—	1,077	127	1,696

Table 11. STUDENTS STUDYING IN JAPAN CLASSIFIED

(As in August, 1939)

Course:	Universities & Colleges	Technical Schools	Higher & Preparatory Schools	Middle Schools	Total
Medical	56	347	111	—	514
Engineering	55	49	86	55	245
Science	5	—	1	—	6
Agricultural	19	49	3	6	77
Law	64	122	—	—	186
Literature	33	31	5	63	132
Commercial	58	238	13	9	318
Literature & Science	—	—	69	—	69
Normal	—	103	—	18	121
Others	—	28	—	—	28
Total	290	967	288	151	1,696

Libraries

Though there are some thirty well-equipped libraries in the former South Manchuria Railway Zone, only 68 libraries are found in the whole of Manchoukuo. Of this number only three are well-equipped, these being the State Library in Mukden and the Kirin and Lungkiang Provincial libraries. The number of libraries, however, is being rapidly increased by the government.

Museums. Manchoukuo has two museums, the National Museum in Mukden and the Museum of Natural History and Science in Harbin. Opened in June, 1933, the National Museum contains many works of Manchu civilization in the various stages of its history. The Harbin Museum of Natural History and Science was established in the early years of this century under the supervision of the former Chinese Eastern Railway Company.

RELIGION

The religions in Manchuria can be divided conveniently into two groups: the native Chinese religions, and those brought into the country from Japan and other foreign countries. The native religions possess a highly complicated nature, and are composed of Buddhism, Taoism, Confucianism, Mohammedism, Lamaism, etc., all having long histories. These religions are closely related racially, socially, politically, and educationally. In recent decades many foreign religions have found their way into Manchuria, the more important of them being the Japanese religions and Christianity.

The number of religious temples and followers by religions for the latest year available are shown below:

Table 12. STATISTICS OF RELIGIOUS PARTIES
(End of 1938)

	No. of Temples Shrines, Churches	No. of Preachers, Priests	Followers (1,000) Male	Female	Total
Buddhism	1,648	3,935	895.0	873.2	1,768.3
Taoism	2,000	4,127	568.6	370.6	939.3
Lamaism	995	27,841	474.4	358.3	832.7
Mohammedanism	233	500	96.1	66.5	162.6
Roman Catholic	379	1,193	68.2	59.6	127.7
Other Christian Sects	717	1,813	70.2	52.0	122.2
Other Sects	65	134	42.9	31.3	74.3

Native Religions. There are various sects and denominations in the native religions, and each of them is intimately bound up with the social and political life of the people. Religious edifices are popularly called "miao" (shrine), or "ssyuan" (temple).

Besides the above, there are 35 "Wen Miao" or Confucian shrines in Fengtien Province, 15 in Kirin Province and 12 in Heilungkiang Province.

Hungwantzchui or Red Swastika Society which is also regarded as a sect of Taoyuan exercises considerable influence over the Manchoukuoans.

Religions among the Japanese. There are various sects and denominations of Shintoism, Buddhism and Christianity, represented by the Japanese. Buddhism has the strongest influence, with many temples, followed by Shintoism and Christianity.

Religions among other foreigners. When the first Christian missionaries, mostly Danish and French, settled in this country, they found it very difficult to cultivate the new field. At present various districts of this country are dotted with Roman Catholic churches, as well as with Protestant churches established mostly by British and American missionaries, particularly by Americans.

Buddhism. Buddhism in Manchoukuo has been divided into more than 30 denominations or sects, the most influential of which are Rinzai, Zen. It is most popular and accordingly influential in Kirin province and also in Hunchun, Ningan, Tsitsihar and elsewhere.

Alive to the importance of religion, Chinese in responsible posts created schools for priesthood and Chinese priest organized the Chinese Buddha Society. Laymen taking an interest in Buddhism also set up a Buddhistic Association. The Chinese Buddha Society established colleges for all sects, instructional institutions, and training stations. These bodies give lectures or carry on social works. Other organizations do not remain idle. Chinese priests and laymen agreed upon co-operation, and formed the Chinese Society of Association Buddhists. Briefly, Buddhism in the land is steadily spreading.

Taoism. Taoism is a doctrine preached by Lao-tse. This was not a religion in its origin. When a certain period passed after the introduction of Buddhism, Taoism adopted idol workship. Limitless longevity and conciliation with nature are the doctrine it preaches. Taoism has 36 sects and 72 divisions.

Confucianism. Doctrines, principles, and precepts prevalent long before the birth of Confucius were compiled and systematised by him. Mencius was the most noted exponent of his ideas. During the Han Dynasty of China, Confucianism was made the national teaching and has since been influenced for many centuries.

The State of Manchoukuo was founded in accordance with the principle of Royal Righteousness, an idea derived from Confucianism. Consequently, the Confucius Festival is observed as the National Festival of Manchoukuo, and is conducted every year throughout the country on September 5.

Mohammedanism. Mohammedanism is an appelation much disliked by Mohammed himself, whose conviction it was that the teaching of Allah was the only truth which all men could believe and the doctrine he preached he called Islam. Islam implies peace, safety, salvation and reverence. Mohammedans in Manchoukuo are mostly butchers, tanners, hotel-keepers, bath-keepers and the like. Their antipathy towards those believing in other religions is very strong. However, the Declaration of Independence of Manchoukuo contains an idea showing reverence for the Mohammedans, who are accordingly recognized in the national color of the country. In consequence, they are so friendly to Manchoukuo that an all Manchoukuo Mohammedan Meeting was held under the direction of Mr. Mohammed Kurubangary, President of the Japan Mohammedanism League.

Lamaism. Lamaism is a religion popular chiefly in Mongolia. When the Manchu Dynasty subjected China and her tributaries or subject peoples, Manchu statesmen availed themselves of that religion to make the virile Mongols imbecile and to cow them into docility. Lamaism is by no means an independent religion, but a form of Buddhism. Lama is a Mongol word implying "superior being." Mongols are accustomed to address Mongol priests of high posts, saying Lama or Lamadom. The doctrine of Lama is in no way different from that of Buddhism. There are several divisions, the most influential being the Red and the Yellow Sects. Manchoukuo is mostly influenced by the Yellow Lama.

There is one more religion in Manchoukuo known as Shamaism. This is a teaching indigenous to the soul of Manchoukuoans. It is believed by native Manchoukuoans in Northern Manchuria and by Siberian aborigines. Tsalism is another teaching, a school of which is said to have agitated the Boxers to rebel.

Taoyuan and World Buddha Scarlet Cross Society. Taoyuan was originated in Shantung Province in December, the 9th Year of the Chinese Republican Regime. Its object of worship, Laoso, is considered the progenitor of all things in the universe and the source of the Great Path. It is the Great Principle of Confucianism personified. The World Buddha Scarlet Cross Society is conducting various kinds of social work. Buddha Scarlet symbolizes great benefit of vast magnitude like that of the sun. Taoyuan and Buddha Scarlet Cross Society are mutually dependent, one inseparable from the other. A person who is member of one must be a member of the other. It is said that these bodies have millions of members. The Buddha Scarlet Cross Society was founded in the 11th Year of the Chinese Republican Regime.

ANCIENT CULTURE

Manchuria is rich not only in natural resources but in material remains of prehistoric and ancient times. In the course of history, various native dynasties rose and fell in this domain. The Kaokouli, Pohai, Liao, Chin, Nuchen, and Manchou established their states in the land, extending their influence southwards; while the dynasties of Han, Wei, North Wei, Sui, Tang, Yuan and Ming, which arose in China or in Mongolia, had much to do with Manchuria. Ruins or remains of different periods are found scattered in various parts of the country. In Manchuria, where native literature is rather scarce, they furnish valuable material for the study of cultural history.

With a view to protecting the destruction or loss of ancient ruins and relics, the Government has enacted a law for the purpose. Ancient remains worthy of being treated as "national treasures" are preserved with Government expense. Further, archaeological researches are being encouraged by the Government. These researches conducted by experts are shedding light on various periods of Manchurian life. For instance, the ancient remains at Hungshan-hou (Chihfeng), Jehol Province, were thoroughly studied in 1935, by a party under Professor Kosaku Hamada, of Kyoto University. A detailed report on the excavation is contained in Vol. VI, Series, A, "Archaeologia Orientalis." Besides the ancient tombs unearthed, two groups of ancient dwelling places were discovered by the excavators. The old dwellings yielded stone implements, such as spades, hammers, axes, and knives; while the new ones brought forth earthenware and bronze objects, in addition to stone implements. From the character of the discoveries, the old dwelling places evidently belonged to farming people living some 4,000 years ago; while the new dwellings are presumed to be about 2,000 years old. In the latter period, Jehol, and particularly the Chihfeng district, is believed to have been inhabited by the Gungu tribe. The archaeological remains found in Jehol present a striking contrast to those of the Han civilization—proof that the locality formed no part of the Chinese Empire in those distant days.

Remains of Different Periods. Remains of the Han period are chiefly found in the Liaotung Peninsula, because the influence of the Han Dynasty did not extend over a large portion of Manchuria. In the "Archaeologia Orientalis" mentioned above, discoveries at Muyangcheng and Pitzuwo are reported in detail. Noteworthy remains of this period, an old tomb with pictures on the inside walls, was found quite recently at Yingchengtszu, north of Port Arthur. The tomb-chamber, built with coloured tiles, contains a coffin for a man and wife. The Han period coincides with the early part of the Christian Era. From various indications, the tomb is supposed to be about 1,900 years old. The mural painting is rather primitive, but there are few wall pictures dating from this period. Up to the present, this is the oldest discovered tomb in the Orient. Valuable material for the study of ancient culture is available from the find.

The Kaokouli, a warlike tribe inhabiting mostly the Yalu Valley, dominated for a considerable period the northern portion of Korea and the greater part of South Manchuria. The Kaokouli State or Kingdom (37 B.C.—668 A.D.) had much dealing with Japan as early as the second century of the Christian Era. The ruins recalling the rule of the Kaokouli are in Wantu (Chienhsien, Antung Province), which was the seat of the government for two hundred years, until the capital was moved to Pinyang, Korea. The monument of Prince Haotai, which still remains in Wantu, is the oldest of the kind in Manchuria.

In Chienhsien, the district above mentioned, several old tombs with mural painting were discovered, and were investigated in 1935 and 1936 by parties under Professor Hiroshi Ikeno of Tohoku University and Professor Kosaku Hamada of Kyoto University. On the inside walls of one tomb are pictures depicting Kaokouli women dancing, men wrestling in a Japanese style, and warriors hunting tigers on horseback. The pictures on the walls and ceiling of another tomb represent palaces and clouds, the floral design used indicating the influence of Buddhism. The tombs are believed to be at least 1,500 years old, or the oldest so far discovered in Manchuria, next to the tomb found at Yingchengtzu near Port Arthur. These remains of the Kaokouli period furnish much valuable material for the study of ancient culture.

The most important remains of the North Wei period (about 420-600 A.D.) are the Wanfotang or the Temple of Ten Thousand Buddhas at Y-hien, Chinchow Province. A cave dug into the cliff washed by the Taling-ho forms the temple. In the niches on the walls of the cave are placed images of Buddha carved in stone. Most of these images are either broken or worn out, but those near the ceiling are almost intact.

The Emperor Yang of the Sui Dynasty (589-617 A.D.) and the Emperor Taichung of the Tang Dynasty (618-906 A.D.) invaded South Manchuria. The Emperor Yang captured various posts in the Liaotung Peninsula one after another and invaded Liaotungcheng, but failed to take it, on account of an insurrection in the rear. The Emperor Taichung captured Pisha-cheng, Mashou-shan, and finally Liaotung-cheng. The last named is the Liaoyang of today. The Pisha-cheng of those days is now known as Tahoshang-shan, a hill seen right across the bay from Dairen. The Mashou-shan is now called Shoushan-pu, where Lieut.-Colonel Tachibana, the Japanese hero of the Russo-Japanese War, fought and fell.

Exchange of Envoys with Japan. Pohai (717-927 A.D.) was the state established in the territory previously occupied by the Kaokouli. The remains of Lungchuan-fu the government quarters of Pohai, are located in Tung-ching-cheng, Ningan-hsien, Mutankiang Province. The capital of Pohai is said to have been modelled after Changan, the Chinese metropolis. The earth mounds and stones on the hill where the government quarters stood are now the only vestiges of those days. History records that Pohai and Japan were in friendly relations for two hundred years, exchanging envoys. In 1934, when members of the Oriental Archaeological Society excavated the site of the ancient palace, Hotung-kocheng, old coins familiar in Japanese history, were found in considerable quantity, to the delight of the archaeologists. A detailed report on the excavation at Tung-ching-cheng is contained in Vol. V, "Archaeologia Orientalis," to which readers are recommended to refer.

Arising in Liaosi, or the district west of the Liao River, the Khitans destroyed Pohai and established the state of Liao (916-1125 A.D.) The Liao-Chin towers which are still existing in different parts of Manchuria are the remains of those days. Many of these towers were built in the Liao period, and others in the succeeding period of Chin—hence the name of Liao-Chin towers. These towers greet the eye of travellers in Manchuria. Besides the Liao-Chin towers, there are not a few temples dating from these periods. The Fengkouchi Temple in Y-cheng, Chinchow Province, is one of them, the dome of which was built about nine hundred years ago, being the oldest wooden structure in Manchuria.

Chin (1115-1234 A.D.) displaced Liao and governed North China as well as Manchuria. Huining-fu, the government quarters of the time, are found in ruins, in Pei-cheng near Ashieh-ho Station, southeast of Harbin. In the fields about Huining-fu coins and mirrors of the period were discovered. Excavation is to be shortly carried out, which will yield material for the study of this period.

The Yuan or Mongol Dynasty founded an empire stretching from the China Sea to the Dniester, but there are not many ruins or remains of the period in Manchuria. As remains from the Ming period, there are ruins of forts and stone walls erected against the incursions of the Nurchen (Manchou tribe) and against the Hoku (Japanese adventurers). These remains, however, are limited to South Manchuria. Pei-cheng in Chinchow Province was the garrison town for the Mings.

The Manchou Dynasty, arising from Hsing-king-hsien, Fengtien Province, ruled China until 1912. There are many places and structures associated with the dynasty in different parts of Manchuria.

CINEMA

The motion picture activities of Manchuria were centered solely in the staging of foreign productions heretofore. A large number of Japanese productions and a sprinkling of European pictures are being shown in Manchuria at present. American productions which were formerly shown in the country are absent from the the theatres at present due to difficulties in arriving at an agreement with the American producers.

Of late Manchoukuo has shown increasing interest in the establishment of a domestic motion production industry, and for this purpose an organization known as the Manchoukuo Motion Picture Corporation was created in August, 1937. The Corporation is capitalized at 5,000,000 yuan, of which 2,500,000 yuan is paid up. The principal investors are the South Manchuria Railway Company and the government of Manchoukuo.

The object of the Corporation is to control the exportation, importation and distribution of motion picture films and to conduct enterprises relating to the production of educational, cultural and entertainment films, with a view to contributing to the exaltation of the national spirit and to the promotion of national education.

The technical work of the Corporation consist of the following: production of motion pictures, exportation and importation of same, distribution of same, conducting of business concomitant to the foregoing three items.

Photoplays so far produced and already distributed by the Corporation include the following: ''Our Village Heroes,'' ''Birth of Movie Stars,'' ''Chi-Chiao-Tu,'' ''Wan-Hsun-Mu'' (Travelling after Mother), ''Ta-Lu-Chang-Kang'' (Our Land of Fortune), ''Chih-Hsin-Chu'' (True to You Forever), ''Honeymoon Express, ''Song of Genghis Khàn,'' ''Tien-Yuan-Chun-Kang'' (Spring Sunshine in The Country), ''Kuo-Fa-Wu-Ssu'' (Fair and Just in the National Law), ''Yuan-Hun-Fu-Chou'' (The Ghost Takes His Revenge), ''Tieh-Hsieh-Hui-Hsin'' (Fighting Policemen), ''Good Mother,'' ''Chen-Chia-Tsu-Mei'' (Foster Sisters), ''Tung-Yu-Chi'' (Loafing Around in Tokyo), ''Yen-Kuei'' (Poor Opium Addicts!)

The Corporation has exerted a great effort in the production of educational and cultural films with the following objects in mind:

1. To play an inmportant role in the enlightenment of the general masses in this country through educational films.
2. To encourage and promote racial harmony among the five races inhabiting Manchoukuo through short feature films dealing with current topics.
3. To provide primary schools in the country with a series of so-called ''school education'' pictures.
4. To inculcate in the masses in this country national policies of the Government. As a matter of fact, an endeavor has already been made to popularize the ''Wang-tao'' rule or benevolent administration among the people living along the frontier districts through the medium of interesting films depicting the Government's activities.
5. To bolster the so-called spiritual mobilization campaign and other patriotic movements which have been launched by the Government and the Manchoukuo Concordia Association.

6. To take the lead in the nation-wide anti-Comintern campaign.
7. To produce historical films which deal with national affairs and bear upon national policies.
8. To send select films abroad in accordance with agreements relative to the exchange of cultural films between Manchoukuo and Italy and between Manchoukuo and Germany, respectively.
9. To introduce abroad various phases of industrial and economic development in this country now being conducted on a large scale according to the Government's five-year industrial program.
10. To distribute "goodwill" pictures in those areas already occupied by the Japanese military in China.
11. To reveal abroad real conditions in Manchoukuo. In this case, an effort will be made to show how within the short period of eight years the Empire of Manchoukuo, as an independent state in the Far East, has attained great progress in many ways.
12. To encourage tourist activity both domestic and from abroad.
13. To cooperate with polical and cultural bodies in the country.
14. To encourage the domestic use of cultural films with a view to holding in check the influx from Shanghai and other places of anti-Manchoukuo pictures.

Importation of German Films. Consequent upon the conclusion of a trade agreement between Manchoukuo and Germany, the Corporation has imported quite a number of motion picture films from German producing companies. The Corporation has also concluded a contract with Luce of Italy for the exchange of cultural films and news reels produced by each contracting party. Already several pictures have been exchanged since 1938.

Mutual Adoption of News Reels by Japan and Manchoukuo. In view of the importance of news reels, the Corporation, joining hands first with the Manchoukuo News Agency, and then with the Domei News Agency of Japan at the end of 1938, has positively effected the mutual adoption of news reels by joint production with the Domei Agency not only for exhibition in Japan and Manchoukuo, but also in other parts of the world. To be more concrete, arrangements have been made between the two concerns whereby news reels made by the Domei will be exhibited in Manchoukuo not as Domei News but as the product of the Manchoukuo Motion Picture Corporation, while in Japan and elsewhere the Manchoukuo Motion Picture Corporation's films will be exhibited not as such but under the name of the Domei Agency.

Popularization of 16-Millimetre Pictures. In a country like Manchoukuo, which embraces geographically so extensive an area, it is of paramount importance, from the viewpoint of national policy, to utilize the agency of moving pictures in spreading education, elevating the people's sentiment in providing means of healthy recreation. For this reason and also out of consideration of expense and equipment, the Government of Manchoukuo has decided to popularize and promote the use of small-size motion pictures.

Moreover, many of the Special Companies in Manchoukuo are undertaking to install small-size movie projectors for the welfare of their employees. In order to meet this situation, the Corporation has decided to start its own branch business to supply instruments, films and other articles required for the taking and projecting of 16-millimeter pictures, and in view of the inadequacy in supply of films of this size both in quality and quantity, it has also established, ahead of its rival concerns in Japan, adequate facilities for making reduced-size editions and for repairing and fitting up instruments and apparatus, so that the business aspect of the miniature movie may be conducted with thorough efficiency.

Travelling Movie Circuits. For small towns or border districts where they are no regular movie houses, the Corporation has persistently endeavored to promote the spread of educational and entertainment films by instituting travelling circuits. In view, however, of the existing state of affairs in this country, the Corporation has effected the expansion and improvement of the system in close collaboration with the authorities of the Government, the Hsieh-ho-hui (Manchoukuo Concordia Association) and other organs interested.

Production of Manchoukuo Series. The necessity of introducing to the world through films all the phases of the remarkable progress achieved by Manchoukuo in all the fields of her activities, embracing politics, economics, industry, culture etc., has long been keenly felt. At present, the Corporation has set itself the task of producing the following series:

History of the Foundation of Manchoukuo;
Manchoukuo Concordia Association;
Army and Navy of Manchoukuo;
Agricultural Co-operative Societies in Manchoukuo;
Economics of Manchoukuo;
Finance and Banking in Manchoukuo;
Heavy Industries of Manchoukuo;
Light Industries of Manchoukuo;
Agriculture of Manchoukuo;
Forestry in Manchoukuo;
Mining Industry of Manchoukuo;
Salt Industry of Manchoukuo;
Live-stock Farming of Manchoukuo;
Fisheries of Manchoukuo;
Staple Products of Manchoukuo;
Communication and Transportation in Manchoukuo;
Aviation in Manchoukuo;
Postal Administration of Manchoukuo;
Urban Communities of Manchoukuo;
Rural Communities of Manchoukuo;
Sightseeing in Manchoukuo;
Social Conditions in Manchoukuo;
Living Conditions of the People of Manchoukuo;
Religions of Manchoukuo;
Literature and Arts of Manchoukuo;

Establishment of Cinema Research Laboratory. So far, in Manchoukuo, no systematic technical study has been made in regular cinema circles or other departments of the motion picture industry of apparatuses or instruments or other technical and mechanical matters connected with the industry. When, therefore, disorder occurred in the working of the projecting apparatus of a movie house, there was no alternative but to depend upon technicians in Japan, and it frequently happened that some of the regular movie houses, unable to have their machines in service due to the time and expense required for repairs, were compelled to cause no small amount of inconvenience to theatre-goers in general. Realizing the urgent necessity of rectifying such a deplorable situation, the Corporation established in 1939 a research laboratory and a high precision machine workshop with a view to rectifying this deficiency as well as to promote in general the technical advancement of the motion picture industry in Manchoukuo.

Motion pictures censored in Manchoukuo in 1938 classified by countries of origin and kinds are given below:

Table 13. MOTION PICTURE FILMS CENSORED
(1938)

(A) Censored

Country of Origin	Films Censored	No. of Reels	Length (meters)	Censor Fee (M¥)	Scenes Prohibited No.	Scenes Prohibited Length (meters)
Domestic	227	486	117,204	1,258	3	9
Japan	1,352	5,714	1,345,293	18,994	50	835
China	249	2,148	459,357	4,125	139	2,368
Germany	45	276	70,963	1,004	14	114
Italy	11	45	10,448	157	—	—
France	19	168	12,815	642	7	196
U.S.A.	94	296	67,123	988	1	3
Britain	12	106	25,662	378	4	15
Others	5	27	6,850	103	—	—
Total	2,014	9,266	2,145,715	27,650	218	3,451

(B) Classified by Kinds
(No.)

Country of Origin	Amusement	Publicity	Educational	News	Total incl. Others
Domestic	12	7	—	124	277
Japan	859	52	3	460	1,302
China	239	—	—	—	249
Germany	27	—	—	1	45
Italy	3	1	—	3	11
France	19	—	—	—	19
U.S.A.	30	1	—	38	94
Britain	12	—	—	—	12
Others	3	—	—	—	3
Total	934	61	3	626	2,014

Press and Publications

The central organs in charge of press and publications in Manchoukuo is the Manchuria Public Information Association which was organized in September 1936. Its announced policy is "to maintain close contact among newspapers, new agencies and other public information enterprises, to control them and thereby to assure their sound development." In accordance with the aforementioned policy the Association took in charge the supervision of the leading newspapers and the sole news agency in the country.

Besides the above organ there is an establishment devoted to the distribution of school text-books. It is the Manchuria Book Company which was established in April 1937.

Statistics on publications and a list of the leading journals in Manchoukuo are subjoined:

Table 14. NUMBER OF PUBLICATIONS

	Private	Government	Total
1935	533	131	664
1936	771	188	957
1937	813	180	993
1938	1,548	154	1,702
1939	1,582	99	1,681
1940	1,164	—	—

Table 15. PUBLICATIONS CLASSIFIED

(1938)

Subject:	Japanese	Manchou	Japan & Manchou	Russian	Total incl. others
Private Publications:	960	359	61	149	1,548
Politics	13	14	—	1	30
Social	13	7	2	40	62
Economics	2	21	1	2	26
Law	39	31	26	9	105
Science	27	8	—	3	39
Religion	61	4	—	17	83
Educational	183	58	12	20	283
Literature	386	22	1	21	431
Art	14	—	—	—	14
Music	27	1	1	1	30
Others	195	193	18	35	445
Government Publications: ..	69	66	17	1	154
Politics	19	8	1	—	29
Economics	1	5	—	1	7
Law	2	7	9	—	18
Science	—	12	—	—	12
Educational	3	4	—	—	7
Music	1	—	—	—	1
Others	43	30	7	—	80

Table 16. LEADING JOURNALS IN MANCHOUKUO

(May, 1940)

Name	Location	Publisher	Editor	Established	Language
Manshu Shimbun	Hsinking	H. Wada	S. Kasakami	1909	Japanese
Shinkyo Nichi-Nichi	Hsinking	T. Shiroshima	E. Tokawa	1920	Japanese
Tatung Pao	Hsinking	Y. Someya	T. Oishi	1933	Manchoukuoan
Man-Sen-Nippo	Hsinking	[illegible]. Ri	G. Yamaguchi	1932	Chosenese
Manchuria Daily News	Hsinking	[illegible]. Ono	N. Nakano	1908	English
Manshu Nichi-Nichi	Mukden	T. Matsumoto	S. Yuhata	1905	Japanese
Hoten Mai-nichi	Mukden	K. Matsumiya	S. Obama	1907	Japanese
Chengking Shihpao	Mukden	Y. Someya	T. Kikuchi	1905	Manchoukuoan
Sing Shihpao	Mukden	——	Chang You Lan	1909	Manchoukuoan
Taitung Nipao	Dairen	Y. Takayanagi	S. Sato	1908	Manchoukuoan
Harbin Nichi-Nichi	Harbin	K. Samukawae	R. Sugawara	1922	Japanese
Tapeh Shimpao	Harbin	S. Yamamoto	T. Nakamura	1922	Manchoukuoan
Wupao	Harbin	„	„	1937	Manchoukuoan
Pinkiang Nipao	Harbin	Wang Wei Chou	Chao Tsiu Hung	1937	Manchoukuoan
Harbinskoe Vremya	Harbin	K. Furusawa	G. Shibata	1931	Russian
Lungkiang Minpao	Tsitsihar	S Katayama	——	1933	Manchoukuoan
Tsitsihar Shimbun	Tsitsihar	„	„	1933	Japanese
Toman Nichi-Nichi	Mutankiang	Y. Susami	S. Nakajima	1940	Japanese
Antung Shimbun	Antung	T. Sato	——	1906	Japanese
Antung Shihpao	Antung	„	——	1935	Manchoukuoan
Kirin Shimbun	Kirin	M. Mihashi	K. Tokimasa	1922	Jap. & Man.
Toman Shimbun	Yenki	H. Wada	I. Yagi	1924	Japanese
Tung-Man Shihpao	Yenki	„	„	1933	Manchoukuoan
Bujun Shimpo	Fushin	R. Kubota	——	1921	Japanese
Fushin Minpao	Fushin	„	——	1931	Manchoukuoan
Sankiang Pao	Chiamussu	T. Yasui	——	1934	Manchoukuoan
Heiho Minpao	Heiho	Lan Si Hou	Kuo Ching Fu	1932	Manchoukuoan
Yingkow Shimpo	Yingkow	Li Tzu Shih	——	1908	Man. & Jap.
Nekka Shimpo	Chengteh	T. Mori	——	1935	Man. & Jap.
Sankaikan Nippo	Shanghaikwan	S. Kurokawa	——	1934	Manchoukuoan
Kinshu Nippo	Chinchow	Y. Shimotsuke	J. Ogata	1932	Japanese
Liangsi Chenpao	Chinchow	„	„	1938	Manchoukuoan
Anzan Nichi-Nichi	Anshan	R. Ueda	Y. Nojiri	1932	Japanese
Ryoan Mainichi	Liaoyang	N. Watanabe	——	1908	Japanese
Liaohai Kunpao	Liaoyang	„	——	1933	Manchoukuoan
Tetsurei Jiho	Tiehling	S. Nishio	——	1911	Japanese
Anpo Mainichi	Penhsifu	I. Nomura	——	1926	Japanese
Shito Shimpo	Ssupingkai	N. Sakurai	——	1934	Japanese

CHAPTER XXVII

SANITATION

Since its foundation, the new state of Manchoukuo, taking into consideration the peculiarity of the prevailing sanitary conditions, adopted a policy composed of three principles: (1) increase of medical treatment institutions and their distribution among the masses, (2) the prevention of epidemics and diseases, and (3) the improvement and increase of sanitary organizations in the rural districts. With these three principles in mind, the Health Section of the Department of Civili Affairs was made responsible for the administration of matters relating to sanitation and health. As the initial objective, public doctors and public welfare clinics were distributed and assigned throughout the country, while in October, 1936, the Health and Sanitation Research Office was established in Hsinking. In the principal municipalities, hospitals for handling contagious disease patients were created, half of the cost of which was met by the Central Government's treasury. By 1937, sanitary organizations were established in twelve of the fourteen provinces, to each of which expert medical officers, expert pharmacists, and expert veterinarians were assigned as officials, in accordance with the third principle, improvement and increase of sanitary organizations in the rural districts.

Moreover, effective measures were adopted to curb the opium habit among the masses, which had undesirable effects upon the race and had acted as a cause of crime for a long time.

Medical Facilities

At the end of 1939, the total number of physicians in Manchoukuo was returned at 22,500 including 18,400 native doctors. This figure represents a ratio of 5.7 per 10,000 population as against 7.6 per 10,000 population for Japan. Quantitatively speaking, the difference between the two countries is negligible but qualitatively, the country presents a tragic contrast in this respect, as more than 80 per cent. of physicians in Manchoukuo are either native doctors

or those not familiar with modern medical science and thus their capabilities and technique are far below those of Japan. In order to remedy the conditions and to improve the standard of those engaged in medical professions, the government has exerted further efforts to expand medical training institutions and has taken all such appropriate and effective measures as are necessary for the promotion of public health.

At the end of 1940, there were 603 dentists and 700 pharmacists in Manchoukuo, of which figure only 1/3 and 2/3 respectively were fully qualified.

The number of medical institutes, by provinces, at the end of 1940 is as follows:

Table 1. NUMBER OF MEDICAL INSTITUTES
(1940)

	State Hospitals	Public Hospital	Public Clinics	Total	
				No.	Beds
Hsinking	—	5	1	6	964
Kirin	1	3	6	10	318
Lungkiang	—	0	6	15	295
Heiho	—	—	2	2	20
Sankiang	1	1	1	2	100
Mutankiang	—	1	1	2	57
Pinkiang	—	6	9	15	1,157
Chientao	2	—	1	3	61
Tunghua	—	1	—	1	3
Antung	—	—	2	2	229
Fengtien	—	17	17	34	2,623
Chinchow	—	3	5	8	162
Jehol	1	—	2	3	71
Hsingan E.	—	—	2	2	39
Hsingan S.	—	—	—	—	—
Hsingan W.	—	—	1	1	19
Hsingan N.	—	4	1	5	81
Total	4	50	57	111	6,196

latest available statistics on the number of medical practitioners by provinces are those for the year 1938. The statistics show that in that year there were a total of 19,885 physicians, consisting of 2,510 physicians practising under Western methods and 17,375 under native methods. Medical facilies were best in Hsinking which had 2.15 physicians per 1,000 population. Details are tabulated below:

Table 2. NUMBER OF MEDICAL PRACTITIONERS

(1938)

Province:	No. of Physicians Western Style	 Chinese Style	 Total	per 1,000 population
Hsinking	273	457	730	2.15
Kirin	171	2,982	3,153	0.60
Lungkiang	155	1,179	1,334	0.55
Heiho	8	36	44	0.68
Sankiang	115	473	588	0.48
Mutankiang	4	20	24	0.05
Pinkiang	457	3,046	3,503	0.77
Chientao	24	674	698	1.06
Tunghua	13	20	35	0.04
Antung	134	900	1,034	0.46
Fengtien	947	4,652	5,599	0.56
Chinchow	99	2,032	2,131	0.52
Jehol	77	750	827	0.22
Hsingan W.	4	55	59	0.11
,, S.	8	64	72	0.09
,, E.	1	25	26	0.23
,, N.	20	10	30	0.06
Total	2,510	17.375	19,885	0.54

Public Physicians. The nation-wide distribution of medical facilities has been one of the programs of the Government, but physicians of occidental schools are concentrated in urban areas, while native doctors of native technique are most in rural districts In order to offset the general incompetency of the native doctors, the government in 1933 adopted the "public physician system" with the object of each hsien having one public physician. By virtue of such establishments, inhabitants of remote regions are able to enjoy the benefit of modern medical treatment.

After the transfer of physicians from the S.M.R., the "public physicians" in Manchoukuo have now reached 550. Thus, the long desired goal of "one public physician for one hsien or banner" has been realized.

The number of patients treated by public physicians in 1937 numbered 185,843. Patients classified by ailments are shown in the following table:

Table 3. NUMBER OF PATIENTS TREATED BY PUBLIC PHYSICIANS

	1936	1937 Male	 Female	 Total
Constitutional Diseases	2,105	1,750	992	2,742
Psycosis	313	266	187	453
Nerve System	2,996	3,178	2,019	5,197
Circulatory System	2,305	2,687	2,868	5,555
Eye	5,682	5,720	2,982	8,702
Ear	2,840	3,274	1,641	4,915
Nose and Throat	3,065	3,235	1,684	4,919
Respiratory System	11,227	11,704	6,737	18,441
Digestive Organs	17,923	19,388	11,409	30,797
Tooth	2,222	2,850	1,536	4,386
Organs of Locomotion	2,195	1,855	735	2,590
Skin and Annexa	10,347	11,628	4,131	15,759
Urinary and Genital Organs	2,505	2,451	1,822	4,273
Wounds	6,830	9,375	1,951	11,326
Drowned, Frozen & Hung	70	94	13	107
Malformation	39	24	18	42
Childbirth & Pregnancy	1,361	—	2,913	2,913
Acute Poisoning	533	385	517	902
Chronic Poisoning	615	654	213	867
Tumours	593	755	427	1,182
Parasites	3.305	2,776	1,513	4,299
Beri-beri	315	341	309	650
Infectious Diseases	32,644	36,160	18,393	54,553
Unknown	563	208	109	317
Total incl. others	—	120,772	65,171	185,843

People's Welfare Hospitals. These hospitals have been opened with proceeds from the State people's welfare lottery. By the end of 1939, 79 of these were established at 76 points in hsiens or banners and 12 more were expected to be created within 1940.

S.M.R. Hygienic and Sanitation Activities. Ever since its commencement more than three decades ago, the South Manchuria Railway Company has taken an active part in bringing about the observation and enforcement of the ordinary sanitation measures among a primitive population, and also in keeping a constant vigil over the possible outbreak of dreaded and deadly epidemics. In strict adherence to this principle, the Company has been playing an important role in carrying on free vaccination and various innoculations against epidemic whenever necessity arose. The systematic and scientific analysis of drinking water in the various localities is also a factor in the prevention of diseases. In the humanitarian enterprises of the elimination of epidemic diseases such as bubonic plague, the Company has spared no efforts and has even suffered the sacrifice of the lives of its research workers. Sensing the necessity of adquate hygienic facilities, the S.M.R. has undertaken to maintain 32 well equipped hospitals and 17 clinics besides despatching 29 physicians to the various points where railways have been constructed.

The Dairen Hospital, which was constructed and equipped by the S.M.R. at the cost of ¥8,000,000, is one of the best hospitals in the Far East. It is an independent organization under the Company's supervision. In order to make the hygienic facilities thorough, the Company has taken upon its shoulders the maintenance of bacteriological examination stations in six towns. Trained nurses are stationed in sixteen localities where no medical facilities are to be found and these are despatched upon regular visitations routes. The largest and the most outstanding of these hygienic facilities is the Hygienic Institute which has been founded for researches in the maintenance of health and the manufacture of various sera and vaccines for the prevention of diseases peculiar to Manchoukuo. The authorities concerned have been especially active and energetic in finding preventive measures, and already the bubonic plague which long existed in Manchuria has been almost conquered. The dreaded typhus and dysentery, too, have been controlled and what is more, energies are bent towards the extermination of contagious diseases among the live-stock.

Public Hospitals. There are at present four such hospitals, at Kirin, Chengteh, Lungchingchun and Yenki, since taking over the hospitals at Lungchinchun and Yenki formerly maintained by the Government-General of Chosen. The management of these hospitals has been placed in the hands of provincial governments.

Medical Training Institutions. The government has striven assiduously to train the best physicians for the new state by expanding the medical training institutions, by enforcing rigid examination and taking over appropriate measures. In 1940 there were the following medical training institutes in Manchoukuo: Manchuria Medical College, Hsinking Medical College, Harbin Medical College, Mukden Medical College, Sheng-king Medical College, Harbin Colonization Medical Academy, Tsitsihar Colonization Medical Academy, Lungchingchun Colonization Medical Academy, Dental Institute (incorporated in Harbin Medical college), Medicinal College (incorporated in Manchuria Medical College), Mukden Pharmacist Training School.

Prevention of Epidemic Diseases

As measures towards the eradication of epidemics the Government has established modern isolation facilities and inspection offices in various parts of the country. The following are some of the facilities available:

Infectious Disease Hospital. It has been the Government's program to establish such hospitals at the seat of each provincial capital and in other important cities and towns. In the spring of 1940, there were 19 such hospitals. An additional thirteen hospitals were to be completed within the year.

Plague Prevention Stations. Such stations are under the supervision of provincial governments and are charged with distribution of medical officers, the storing of medical materials, and investigation of epidemic diseases, besides supervising anti-plague affairs within their jurisdiction in each province. All of these stations are in the border regions.

Bubonic Plague Prevention Facilities. In Manchoukuo, there was formerly a vast area infested by this plague, extending over 19 hsien and 5 banners. Since bubonic investigation stations have been established at Halaha and Tungliao, a remarkable achievement in bubonic plague prevention has been attained. Further, vigilance stations have been constructed in localities where outbreaks of epidemics are most frequent and isolation stations opened along the King-Pai, Ssupingkai-Tsitsihar and Talai-Chengchiatun railway lines. There were in 1940 two investigation stations, 12 vigilance stations and 12 isolation stations. In 1933, the known deaths from this plague numbered 1200, but this number has decreased year after year, and is now only a fraction of the total.

As outbreak of bubonic plague is not only detrimental to public health but also has a great baneful effect on communications, economy and industry in the country, the government is taking more positive steps in the preventive work in an effort to completely eradicate the bubonic plague.

Quarantine Stations. For the purpose of preventing epidemics and diseases along the border and at ports of entry, quarantine stations are maintained at Antung, Yingkow, Shanhaikwan, Heiho, Suifenho, Manchouli, Kupeikow and Hsifengkow, the first two being transferred to the control of the local custom houses.

Chronic Infectious Disease

Tuberculosis. It is generally surmised that there are about 700,000 people infected with tuberculosis in this country, of which young, able-bodied men constitute main bulk. This is indeed a big loss to the nation. So far, no tubercular sanatoria had been established by the Government. But in Hsinking, Mukden, Harbin, Port Arthur, Dairen, etc., the Government has taken over the S.M.R. sanatorium for the care of these sufferers. Besides, there exists the Manchuria Tuberculosis Prevention Association.

Leprosy

The number of leper patients is also great. There has been an upward tendency in emigration from neighbouring countries, as a result of the steady progress of the colonization plan and the remarkable development of industry in this country. In order to cope with the ever increasing spread of this disease, the Government in 1939 established at State expense at Sung-shanpei, Tiehling hsien, leprosoria to give treatment to leper patients.

Recently regulations governing the prohibition of entry of the afflicted have been enforced.

Venereal Disease

Compulsory measures have been enforced to take care of patients of the disease. Women's hospitals are now found at Hsinking, Mukden, Anshan, etc. Many more will be established in other important cities in the near future. To Mongolian districts, medical relief parties are despatched from time to time to combat the spread of the disease.

Trachoma

The spread of trachoma in Manchoukuo is alarming, affecting nearly half the total population. In view of the grave situation, the government since 1939 has dispensed a large sum for the suppression of this dreaded disease. In various schools are stationed eye specialists and optical nurses and school children are treated free of charge. For 1940, a large increase was earmarked in the budget in order to expand equipment and facilities.

Notifiable infectious diseases for the years from 1935 to 1940 are tabulated below:

Table 4. NOTIFIABLE INFECTIOUS DISEASES

	Typhoid & Paratyphoid fever			Typhus			Dysentery		
	No. of cases	Dead	%	No. of cases	Dead	%	No. of cases	Dead	%
1935	4,549	904	19.8	1,220	272	22.3	4,583	573	12.5
1936	6,228	1,004	16.1	4,496	763	17.0	4,894	466	9.5
1937	14,850	2,423	16.4	7,349	1,025	13.9	6,834	803	11.7
1938	5,207	468	9.0	1,395	209	14.0	9,185	626	6.8
1939	5,063	514	10.1	1,577	254	16.1	8,513	659	7.8
1940	8,482	1,024	12.1	2,515	276	10.9	9,878	666	6.7

	Smallpox			Pest			Cholera		
	No. of cases	Dead	%	No. of cases	Dead	%	No. of cases	Dead	%
1935	1,629	341	20.9	395	389	97.5	—	—	—
1936	1,749	441	25.1	150	141	94.2	0	0	0
1937	3,064	452	14.8	248	239	96.5	1	0	0
1938	1,345	171	12.7	718	687	96.0	21	9	42.9
1939	1,005	148	14.8	657	500	76.0	0	0	0
1940	1,490	241	16.2	2,551	2,033	79.7	127	65	51.2

	Diphteria			Epidemic Cerebrospinal meningitis			Scarlet Fever		
	No. of cases	Dead	%	No. of cases	Dead	%	No. of cases	Dead	%
1935	312	77	24.7	426	35	8.2	1,842	314	17.0
1936	284	70	24.7	185	40	21.6	1,102	217	19.7
1937	238	43	28.1	103	20	19.4	1,442	267	18.5
1938	693	129	18.6	193	32	16.6	1,947	244	12.5
1939	1,179	191	16.2	191	68	35.6	1,303	238	18.0
1940	1,523	201	13.2	359	134	37.3	1,650	167	10.1

Table 5. DEATH RATE OF JAPANESE IN MANCHOUKUO PER 1,000 POPULATION

Diseases	Japanese in Manchoukuo	Japanese in Japan
Respiratory organs*	3.05	2.90
Digestive organs*	2.17	3.46
Tuberculosis	2.06	1.91
Epidemics	2.88	1.29
Total	15.20	19.48

Note: * excluding tuberculosis

Table 6. DEATH RATE OF SCHOOL CHILDREN PER 10,000

(Age between 5 & 14)

Diseases	Japanese Children in Manchoukuo	Japanese Children in Japan
Tuberculosis	12.5	7.6
Epidemics	16.7	5.6
Respiratory organ	8.5	5.3
Digestive organ	7.5	6.5
Meningitis	2.1	4.7
Total	56.9	39.1

LOCAL HYGIENE

The food and drink problem in Manchoukuo is also receiving increasing attention because of its close relation to public health.

Improvement of the physical standard of the nation is a basic condition for the perfection of national defence. Therefore, gymnasia have been opened, a systematic survey of the physical status of school children is made regularly and physical education in schools has been instituted. Popular exercises under the name of "national foundation exercises" have been adopted and are now widespread among the people.

Besides these measures of an indirect nature to improve the physical standard of the nation, the Government in a positive effort to remove all the obstacles to the maintenance of health arising from a collective form of living, has promulgated regulations concerning the clearing up of urban areas and has perfected various public sanitary facilities such as cemeteries, city water and sewerage systems. Measures have also been taken to purge the cities of smoke and dust, which are a menace to public health.

Manchoukuo's varying social environment and the marked difference in the characteristics of the various races inhabiting the country increase the difficulty of operation of a State-wide scientific sanitary policy to give unified guidance to the nation in respect to public health. In order to work out a unified sanitary policy for the whole nation the Government intended to establish within 1940 an organ for this purpose.

Sanitary Technical Institute. This institute was established in Hsinking with a branch office at Harbin. Equipped with all modern precision machines and appliances for research purpose, it is conducting sanitary experiments and research into all causes of infectious diseases and engaging in production and distribution of vaccine serum and other remedial materials. Since 1938, this organ has been under the supervision of the Continental Institute of Scientific Research.

Hygienic Laboratory. Since hygienic experiments play an important role in health promotion, disease prevention and sanitary administration, such laboratories have been established in important towns such as Hsinking, Harbin etc., and in all cities where provincial governments are seated.

Health Consultation Offices. The Government took over seven such offices from the S.M.R. and is endeavoring to establish many more in all important cities and towns.

COLONIZATION SANITATION

In order to expedite progress of colonization perfection of the sanitary equipment in colonist settlements is consequently of an urgent nature. There are many problems such as difference of climatic conditions between Japan and Manchoukuo and the existence of regional disease in North Manchuria, which require immediate solution to ensure the health of Japanese colonists.

The authorities are making various scientific researches to prevent the epidemics, to improve drinking water and to perfect the sanitary system for the colonists. The authorities have further decided to establish a new medical organ for special protection of expectant mothers and of infants.

It is also planned to investigate into the whole range of local hygiene and to provide the necessary facilities for the perfection of the sanitary system in the colonist settlements. This plan was already under way in 1940.

RED CROSS

The activities of the Manchoukuo Red Cross Society are divided into two categories, under the Relief Department and the Welfare Department. Relief services form the principal function of th offices of the Red Cross work in Manchoukuo, devoted to the improvement of public health in general, and to providing medical attention on the battle-field in time of war. The Relief Department is faced with the constant task of finding the necessary maetrials, medicaments, instruments, bandages and so forth, to be ready to meet any instant demand, in civil or military spheres. It must keep a sufficient number of doctors and nurses, and must also undertake the training of nurses for this purpose.

Manchoukuo Red Cross Society. The Manchoukuo Red Cross Society operates, under the supervision of the Relief Department, three large hospitals, at Mukden, Harbin and Chinchow. The Harbin Hospital also maintains a branch under its management, and the Chinchow hospital has a branch at Fushin. All hospitals have special buildings where epidemic patients may be isolated. Each of the three hospitals offers a special training course for nurses. While these hospitals are devoted to public service in time of peace, they are subject to being placed under absolute military control in time of war. With a view to assisting the development of colonization settlements in the frontier areas, the Society has planned to offer medical services to these communities, and has been urging the construction of hospitals at Chiamussu, Mutankiang and other places.

The Welfare Department is divided into two sections, known as the Social Section and the Welfare Section. With the general improvement of social conditions in Manchoukuo, the social service labors of the Society are being extended accordingly, benefiting a rapidly increasing number of people each year. In view, however, of the expanse of the country, its service cannot be said to have adequately attained their goal, and in consequence greater effort is being made to establish branches in every section of the land. The Welfare Section, in conjunction with the Social Section is charged with providing the public with proper medical services, especially in the remote settlements. For this purpose it conducts travelling clinics, and has established free dispensaries at as many places as possible throughout the country, earning the sincere gratitude of millions of inhabitants.

Another activity of the Welfare Section is the care for invalid soldiers, through the Home for Disabled Soldiers which corresponds to the Shohei, Hogo-in of Japan, and has performed heroic service in brightening the lot of injured heroes. The Institute cares for Manchoukuo soldiers and civilians who have been stricken in their country's cause, and relieves their anxiety for their future. This service is unique to Manchoukuo, in contrast to the structure of the Red Cross Societies in other lands. To most nobly fulfill its lofty mission the Manchoukuo Red Cross Society has worked in close harmony and cooperation with the Concordia Association, with the Manchoukuo Soldiers Support Association, and the Manchoukuo National Defence Women's Association.

Another unique feature of the structure of the Manchoukuo Red Crooss Society is its inseparable relationship with the functions of the Government. Officers and chiefs of the Society usually hold their posts concurrently with government positions. Thus the Governors of the 18 provinces and the Mayor of the Hsinking Special Municipality are concurrently chiefs of the respective branches of the Red Cross Society, while other offices are filled by corresponding local officials, correlating the two institutions. This close coordination is implied in the gravity of the national emergency and the high purpose of the national policies. Another factor is the close relationship between the functions of the Red Cross Society and those of the State in promoting public welfare and providing for the needy and distressed.

Activities of the Red Cross Society. In addition to operating the central hospitals aforementioned, the Society provides a course of training for nurses at these institutions, established in April, 1940 at present embracing 80 student-nurses, who are pursuing their humanitarian labors. These students comprise both Japanese and Manchou young women. School buildings and dormitories are now under construction for their accommodation.

The Society is always anxious to establish more hospitals through the country, and especially in the border areas. Several new hospitals are expected to be completed in the course of a year or two. In March, 1939, the Hsinking Deaf and Dumb Asylum, formerly under private management, was transferred to the Red Cross Society, and the Welfare Department has conscientiously undertaken its task to improve the conditions of these unfortunate children, which include Japanese, Manchous, Koreans, and Mongolians. In 1940 there were 54 children enrolled.

The Welfare Department also sponsors the Hsinking Domestics' Institute, opened as an experiment, in cooperation with the Concordia Association, for the domestic training of young Manchou girls. It trains them to become qualified maids and housekeepers in Japanese homes. They are tutored in Japanese customs and etiquette, and given a primary education in the Japanese language. This work has been undertaken in the spirit of developing the Red Cross spirit in the home. When they have completed their training in etiquette, cooking, hygiene, laundering, Japanese language and kindred subjects, they are found employment in Japanese homes. The first class of 18 graduated from the school in October, and they are happily established in congenial Japanese homes. Students were being enrolled for the second class in 1940.

The Welfare Department has given utmost attention to the provision and free distribution of medicaments and free medical services, at the request of local authorities, throughout the country. Sometimes the Society has assisted in the work of pacification among the more backward districts. In all cases their services have been graciously appreciated.

During 1939 eight travelling medical squads conducted circuits through rural communities in 5 provinces, 12 hsiens and 2 banners, tendering valuable help to the people suffering from various ills. These parties each made several circuits, each for a two month period. Other special clinics were dispatched to the northern and western frontier areas, where the population is sparse, and regular medical services cannot be maintained.

In addition, the Welfare Department is contemplating establishment of permanent services, including hospitals and dispensaries, in various cities within the next few years, aiming at the general advancement of public health throughout the country.

The Society has also provided medical depots and emergency stations in many public places, including Concordia branches, schools, government offices and similar centers. Standard kits are distributed, their number in the past year totalling 209 thousand.

A project is under consideration to enlarge the premises of the Home for Disabled Soldiers by the addition of several new wards. The present capacity is 150, and 54 injured heroes are sheltered there under the warm protection of the Red Cross. Their ranks include Japanese, Manchous and Mongolians.

Here the invalids are provided with free and generous accommodation, clothes, meals, and medical attention, and are granted a small monthly allowance of pocket money. Those who are fit are taught some manual art, such as sewing, shoemaking, floriculture and similar crafts, according to their abilities and physical handicaps. This vocational training not only gives them a sense of usefulness, but also relieves the monotony of their limited existence.

With the aid of the Manchoukuo Soldiers Support Association an institute for the care and shelter of the families and dependents of war heroes was projected for 1941, by the Home for Disabled Soldiers.

In addition to these manifold services, the Welfare Department has under contemplation to take up various other activities, common to the organization in various parts of the world. Among these may be mentioned care for infants and women during pregnancy, especially among the poor; instruction for the care of the eyes and the prevention of blindness, a campaign to curb the spread of tuberculosis and other scourges.

In 1940 the Manchoukuo Red Cross Society maintained branches in the 18 provincial capitals, and 209 subsidiary branches throughout the country, this vast and growing humanitarian chain being unselfishly devoted to the improvement of public health and morale in time of peace, and to the relief of soldiers and other sufferers in time of war.

No review of Red Cross activities in Manchoukuo would be complete without reference to the Order of Merit of the Red Cross Society, recently established to honor those who have given signal service in this humane work, and those who have in any way made an outstanding contribution to the progress of Red Cross work in the Empire. Simultaneously, membership medals were also instituted. In keeping with the spirit of the work, the conditions of award, as well as the design of these emblems, have been carefully worked out. The medal bears the design of a red cross on a round background.

The foundation and development of Red Cross work in Manchoukuo owes much to the efforts of its former chairman, the late Lt.-General Hideichi Takeda, who undertook the difficult task of introducing the work from Japan, with the assistance of the Red Cross Society of Japan.

Major-General Yoshio Kudo succeeded General Takeda, and has worthily continued his efforts as president of the Manchoukuo Red Cross Society. Major-General Bunhichiro Ozaki, an outstanding surgeon and authority on medicine, as chief of the Relief Department, is an invaluable asset to the Society, especially in view of his long acquaintance with medical work in Manchoukuo. His predecessor, Mr. Kuga also rendered valuable service in the improvement of the medical standards of the Society.

Foreign Hospitals

Hospitals operated by foreigners are located in various districts in Manchoukuo and have extended valuable service not only to foreigners but to the native population as well. A list of these hospitals, with their locations, is appended.

Table 7. FOREIGN HOSPITALS

	Location	Nationality
Christian Free Hospital	Hsinking	British
Hsinking Christian Hospital for Women ..	”	”
Hsinking Free Hospital	”	French
Christian Hospital for Women	Chinchow	British
Liaoyang Hospital for Women	Liaoyang	”
British Hospital	Hailung	”
Puai Hospital	Hsinminfu	”
Weimei Hospital	Hsinminfu	”
Free Hospital of Tiehling Christian Church	Tiehling	”
Kaiyuan Christian Church Hospital	Kaiyuan	”
Fakumen Christian Church Hospital	Fakumen	”
Kirin Anglican Church Hospital	Kirin	”
Antung Danish Hospital	Antung	Danish
Hsishan Hospital	Hsiuyenhsiencheng	”
Chenghonan Hospital	Chenghonan	British
Tsichang Hospital	Lungtsingtsun	Canadian

AN OUTLINE OF THE OPIUM ADMINISTRATION

Preface

For the purpose of carrying out the principles for the prevention of opium-smoking which were formally adopted and announced in October, 1937, Imperial Ordinance No. 487 was promulgated on December 27 of the same year, to be effective on and after January 1, 1935, and providing for revisions of the Opium Law. Accordingly, regulations governing the enforcement of the revised Opium Law, the procedure relating thereto and the control of addicts, and other supplementary regulations and official instructions were issued, along with the progress of various other necessary arrangements. With the executive organs concerned fully posted about the matter, every effort was made to leave nothing undone to ensure a satisfactory enforcement of the revised Opium Law. By the revised law, narcotics other than opium were affected as well.

State Retail Sale System. The old private retail sale system left room for undue profiteering and therefore was incompatible with the object of prohibiting opium smoking. Taking stock of this fact, it was decided to transfer opium retail sales to municipalities, hsien and banners by the end of the year 1940, with the view of properly regulating the use of opium and other narcotics, rationalizing their distribution, curbing their misuse through illicit transfers and preventing the appearance of new addicts. The State retail sale system is also intended as a means of exercising better control over the old addicts.

Before the enforcement of the State sale system, all necessary investigations and arrangements had been made in accordance with what was stipulated in Decree No. 72 of November 1, 1937, issued by the Department of People's Welfare. At the same time, a conference of the provincial government officials in charge of the matter was convoked, at which the Central Government's policy was clarified and discussed. With all these investigations and preparations completed by the end of that year, the business of old private retailers, along with their buildings, various establishments and employees, was taken over most smoothly by the State without any trouble or friction. The State opium sale system thus enforced from January 1, 1938, is now being observed in a total of 17 cities, 134 hsien and 18 banners, representing slightly upwards of 90 per cent of the whole territory of the country.

The State sale system has yet to be enforced in a small number of hsien in Jehol and Hsingan Provinces where the situation with regard to the maintenance of peace and order is still somewhat unsatisfactory, or in some other hsien where specific local conditions prevail.

The total amount of money expended for buying up the establishments of the old private opium retailers aggregated M¥904,659. In the provinces of Lungkiang, Tunghua, Mutankiang, East Hsingan and North Hsingan and in the special Hsinking Municipality, the needed money was met by advances from the budgets for general accounts, to the extent of M¥333,941. In all the other provinces, necessary sums were raised by the flotation of bonds which totalled roughly M¥571,700.

For the State retail sale of opium, opium sale control offices were created against private retailers. The total number of private opium retailers officially designated before the enforcement of the State sale system was 2,139 throughout the country. Simultaneously, however, with the enforcement of the system, private retail shops were either merged together or abolished. At present, 1,363 State-managed opium sale control officers are operating whereas the number of private retailers stands at only 272, indicating a startling decline of 504. These State-managed opium sale control offices, in principle, are attached to State opium-smoking houses and in each city or hsien, one to three of them are being maintained.

The management of the State opium-smoking houses, generally speaking, is satisfactory. In surveying the budgetary estimates for the 1935 fiscal year of the various provinces, it is noted that net profits from the public sale of opium aggregated M¥9,000,000, of which M¥2,600,000 were to be offered as dues to the provincial coffers. Relatively large though this amount of profits may appear, it is thought that even if these profits are forthcoming at their present rate, it may require at least three years before the projects enumerated below, which have a direct bearing upon the absolute prohibition of opium-smoking, can be completed, while considerable State subsidies are needed in Jehol, Sankaing, Tunghua and Hsingan Provinces where the State opium sale system has not yet been

enforced or where the system, though already adopted, has proved unsatisfactory thus far:

a. Redemption of bonds and loans floated for enforcing the State opium sale system.
b. Improvement of State opium-smoking houses (repairing and perfection of sanitary and other facilities).
c. Qualitative improvement and better treatment of employees of State-managed opium sale control offices.
d. Construction of opium-addict infirmaries.
e. Management of opium-addict infirmaries.
f. Establishment of facilities necessary for the guidance of addicts.
g. Anti-opium propaganda and social education.
h. Simple remedial hospitals and other medical institutions.
i. Distribution of relief medicines.

Registration of Opium and Narcotic-Addicts. To ascertain the precise number of addicts was the basic and most important conditions for the execution of all programs and measures aimed at the eradication of drug-taking. Naturally, the Central Government took every opportunity to give instructions and encouragements to local authorities with regard to the registration of addicts, in the hope that all addicts might be registered before the end of July, 1918, the time limit set for registration.

But some addicts in those districts where the preservation of peace and order was unsatisfactory or in other areas, shocked by the intensity of the anti-drug movement launched immediately after the announcement of the Government's policy, misconstrued this registration system as presaging the imposition of a tax or compulsory labour. They considered it a shame to themselves to have their names registered.

For these and other reasons, only slightly more than 200,000 addicts had been registered after a lapse of four months since the registration system was started, according to official reports received from the various provincial governments by the end of May. Thus, the results of the registration were far from satisfactory.

In order to cope with this situation, the Central Anti-Opium Encouragement Committee despatched parties of officials to local districts to expedite the registration of addicts. For about one month, these parties acted positively upon the various organs concerned in the principal cities of the country, thus dispelling groundless rumours of an extension of the time-limit for registration. At the same time, the local authorities concerned were better informed in order to understand the real objective of the registration system and to make positive efforts towards accelerating the registration task. Quite fruitful, indeed, was the despatch of these parties. Thus, the registration of addicts throughout the country had nearly been completed by the end of July, save for some districts in Sankiang, Tunghua and Jehol Province and in Huatien-hsien, Kirin Province, where specific conditions prevailed.

Table 8. NO. OF REGISTERED OPIUM AND OTHER NARCOTICS ADDICTS

(1939)

	No. of Hospital	No. of Clinics	Opium Addicts	Morphine Addicts
Hsinking	2	35	7,259	91
Kirin	14	276	80,726	3,721
Lungkiang	21	48	17,070	841
Peian	17	104	63,244	458
Heiho	1	50	17,119	489
Sankiang	7	68	56,235	649
Tungan	—	31	13,546	38
Mutankiang	3	25	25,966	88
Pinkiang	14	208	64,877	762
Chientao	4	31	4,713	395
Tunghua	3	58	10,981	159
Antung	3	43	6,149	262
Fengtien	31	348	59,954	3,883
Chinchow	8	117	32,578	7,816
Jehol	6	344	86,365	5,772
Hsingan W.	—	29	6,221	85
Hsingan S.	2	19	4,624	18
Hsingan E.	1	9	3,469	—
Hsingan N.	—	22	3,861	—
Total	137	1,865	564,968	25,517

Relief of Opium and Other Narcotic Addicts. As remedial institutions for the benefit of opium and other narcotic addicts, ten State infirmaries have been established, in addition to 36 hsien-managed infirmaries created with the proceeds from the public sale of opium. Thus, there are altogether 46 infirmaries in operation at present. Frankly, however, most of these infirmaries are far from satisfactory in point of scale and equipment; some of them even have the appearance of establishments for sheltering indigents.

Further, no active endeavours have been exerted to accommodate many addicts into these infirmaries. Due also to the failure of these establishments to institute any positive remedial measures for the addicts taken in, seven out of the ten persons treated at the infirmaries again become addicts after retiring from the institutions. This fact has given rise to the occurrence of the opinion that the curing of the addicts is impossible.

In the firm conviction, however, that if such remedial facilities are substantially improved, better guidance is given to the addicts and thoroughgoing control is exercised, the undertaking can progress successfully, the Government decided to erect a total of 200 more infirmaries in different provinces during the three years of 1938, 1939 and 1940 and has mapped out a 10-year program under which all addicts (estimated at 900,000 including young addicts or legal minors) to be taken under remedial treatment during the period of 10 years. Below is given a detail of this program.

Table 9. TEN-YEAR ADDICT RELIEF PROGRAM

Year	State Opium-Smoking Houses			Accommodation Capacity	No. of persons admitted per annum	No. of addicts
	Existing	New	Total			
1938	46	—	46	2,672	19,704	880,296
1939	46	126	172	12,162	85,194	795,162
1940	172	30	202	13,662	95.674	699,528
1941	202	—	202	13,662	95,674	603,894
1942	202	—	202	13,662	95,674	508,260
1943	202	—	202	13,662	95,674	412,262
1944	202	—	202	13,662	95,674	916,992
1945	202	—	202	13,662	95,674	221,358
1946	202	—	202	13,662	95,674	125,724
1947	202	—	202	13,662	95,674	30,090
					870,290	

Note: The period of accommodation for each addict is 50 days. Estimating the total number of addicts in 1938 at 900,000 of whom about 50,000 will be cured or will die during the 10-year period over which this program spreads, it is indicated that there will be no addicts left by the end of **1947** (the 14th year of Kangte)

CONTROL OF ADDICTS AND ILLICIT DRUG TRAFFIC

a. During the period of registration, the entry of persons into opium-smoking houses and other affairs were controlled rather moderately in order not to cause excessive apprehension among the addicts, but after the lapse of this period, strict control began to be exercised over all such affairs.

Since the lapse of the period of registration, only those addicts bearing official certificates have been permitted to enter smoking houses and the entry of any other persons has strictly been prevented with the view of checking the spread of this evil practice and prohibiting illicit traffic in drugs.

b. The supply of opium to registered addicts is being made most strictly without any excessive quantity being granted. Also, the distribution of raw opium to cities, hsien and banners is undertaken on the basis of the exact number of registered addicts.

c. With regard to the control of drug smuggling and illicit traffic and of the cultivation of poppy, efforts are being made to leave no room for such activities by rounding up all persons engaging therein as was done in 1937. In connection with the control of poppy cultivation, the police organs in the various provinces in co-operation with the other authorities concerned, have been assigned to the task, following the abolition of local peace preservation societies at the end of March, 1938. Necessary instructions in this connection have already been given as regards the manner of control.

d. It will be well nigh impossible to carry out satisfactoroily the opium-smoking prohibition policy only by reliance upon the powers of existing police. Hence, the appointment of a greater number of opium monopoly supervision officials has long been desired by the various provincial governments. As a temporary measure 227 of the supervision officials of the Opium Monopoly Bureau have been transferred to police organs with the view of establishing unification of control.

In reality, however, this measure involved the transfer of one half of the old number of these supervision officials and the discharge of the other half. So, it may be said that this entailed a decline in the force of control.

With regard to the disposition of these supervision officials, the main emphasis was laid upon urban districts. In frontier districts, the control of illicit drug traffic in the past has been entrusted almost exclusively to supervision officials of the Monopoly Bureau. But this has had to be discontinued and at present, the local police authorities are requested positively to take up this task as incumbent upon themselves. In order, however, that the 10-year anti-drug program may be carried out successfully, there is a need of keeping at each police station one or two officials in charge of this matter for the purpose of preventing the illicit ingress of private drugs and of attending to all other affairs relating to the eventual prohibition of opium and narcotic taking.

OPIUM-SMOKING IN RELATION TO NATIONAL PROBLEMS

In spite of its determination to dispose of the opium question in as short a period of time as possible, the Manchoukuo Governmentt is faced with certain problems, a knowledge of which is essential to the understanding of its policy with regard to the eradication of the opium habit. In the following paragraphs a close study will be made of the urgent problems related to the whole opium question.

Government Finance. According to figures for the past several years, the profit derived from the opium monopoly by the Manchoukuo Government amounted to the sum of ten million yuan for one of the record years. On the surface, this may seem a profitable source of State revenue. But close scrutiny reveals that this sum is not a profit in the real sense of the world. In the first place, Manchoukuo consumes annually some 180 million yuan worth of opium. In the second place, the opium habit not only demoralizes the addicts spiritually, but also weakens them physically. Together with the decline in their utility, comes a proportionate lessening of the productivity of the country. It appears that addicts consume more resources than the average individual at the same time producing much less. As a proverbial Chinese adage says, they are "fond of eating, but dislike work." If this extra consumption and the subsequent loss in national productivity are computed in terms of money, it is estimated that Manchoukuo loses 150 million yuan annually.

Worse still, the criminal rate increases in direct ratio to the number of addicts, putting an extra burden on the policing and administrative costs to the State. Taking into consideration these various facts, the elimination of the opium habit from Manchoukuo would mean approximate savings every year to the State of over 300 million yuan, conservatively estimated.

The net saving of this huge sum, directed into usual channels would mean a corresponding increase in the consuming power in the country, providing a potential incentive to the general economic prosperity and well-being of Manchoukuo. It is also evident, that as a result of the increase of economic activity, the State revenue from taxes would more than offset the rather dubious gains to be gotten from the enforcement of the opium monopoly.

The relatively small profit accruing incidentally from the opium monopoly may arouse some suspicion on the part of foreign public opinion as well as misunderstandings. But an examination of the actual situation leaves no room for such doubts or cynicism.

True, there are difficulties and obstacles to be overcome in any undertaking. But in connection with the opium problem, the Manchoukuo Government is firmly determined to hurdle any and all obstacles to the achievement of ultimate success.

Politics. Conscientiousness and a sense of responsibility on the part of government officials are prerequisites in the proper functioning of the general political organization of a country. During the period preceding the advent of Manchoukuo, many government authorities were slaves to the drug habit. The higher, the more common the habit. But it was not restricted merely to the upper group, the whole body of public servants, in fact, seemed to be devotees of Morpheus.

Such a situation naturally resulted in the utter demoralization and the corruption of the State machinery. Petty officials found that in satisfying their cravings they could not live within their earned incomes. Thus they were forced to seek other sources of revenue. High Government officials found their rank and station a distinct advantage in gaining illegal funds. Soon the whole political structure became honeycombed with graft, bribery, extortion, and underhand connivance. State policies failed to be carried out, peace and order changed to chaos and insecurity. The example of the rulers of the State served to influence the public mind to a tremendous extent. Opium-smokers arose, some in sheer imitation of the life led by the higher officials. Culture, national pride and spirit all deteriorated.

Furthermore, addicts increased in number daily and monthly. Crime rose in direct proportion. Eventually the proud Chinese race which from time immemorial had vaunted to the world of its traditions of humanity, justice and morals, its code of "Sankang Wuchang"* degenerated to a mere ghost of its former material and spiritual splendor.

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* "Sankang" means the ways of Heaven, Earth and Man, "Wuchang"—loyal, filial piety, fraternal love, conjugal affection and friendship.

A study of the situation prevailing throughout Manchoukuo under the now ousted military regime impresses one with the extent of the havoc wrought by that arch enemy of mankind, opium, in all phases of national activity. Only with the radical elimination of opium smoking could government officials be hoped to act according to the dictates of their conscience and their responsibilities. Only in this way could national unity be achieved and national prestige enhanced.

State Economy. Already, the economy of Manchoukuo has developed from a primitive to a new, systematic form, in spite of the lapse of a short time since the new State was brought into being. In surveying the general tendency of our wealthy classes, many of them lack a spirit of progressiveness, soundness of health and body or are managing indirectly their own enterprises by entrusting their businesses to third persons. In the case of those who directly manage enterprises of their own, many seem to be too eager to seek selfish profits. The opium-smoking habit is responsible for this to a large extent.

No matter how the State may control the nation's economy, the economic activity of an individual affects not only his immediate family or public organization, but the whole State and race. Hence, the harmful habit of opium-smoking even among individual persons cannot be overlooked. It is from this point of view, that Manchoukuo, now bent upon economic construction, must keep its economy free from all the destructive effects of opium-smoking.

People's Welfare. The greatest achievement of the Oriental races is its spiritual culture of many centuries' standing. As a matter of fact, Oriental culture forms a vital and brilliant part of world civilization. Thus, our race is ruled by a morality inherent in the Oriental races, in addition to modern laws. Humanity is nothing but moral virtues. Even in present society, featured by a materialstic civilization, the real value of these Oriental morals can never be diminished.

In this sense, our daily life, of necessity, is being influenced by our spiritual civilization. Our family system and State structure also have in this civilization their common origin, so is the case with our manners and customs. In a nutshell, moral virtues are the mother of all these.

Unfortunately, however, the importation of foreign opium after the now famous Opium War had a serious effect upon the health standard of the nation and destroyed, though gradually, these traditional moral virtues, with the consequence that this race finally fell into the state of inactivity such as existed at the time when the ousted militarist clique was still in power.

Addicts, when well off, may not do any wrongs, but once they have been confronted with the danger of bankruptcy, then, bereft of reason and their sense of honour, they will only seek for selfish profits and finally go the length of committing unlawful acts. This renders the preservation of social order difficult as well as affecting public health and sanitation.

Industry. One of the primary objectives of the Manchoukuo Government's administrative policy is the development of industry, for the attainment of which certain ideal conditions are necessary. Of these conditions, natural resources, capital, labour and production technique are the four most important ones. In labour and production technique, Manchoukuo suffers a certain shortage. But it is believed that this question will solve itself when the dope habit has been completely stamped out in the country.

The huge sum of roughly 300 million yuan spent yearly in the consumption of opium and other narcotics could then be shifted to be used usefully in the industrial development of Manchoukuo.

Among addicts are to be found intellectual individuals. But since falling prey to the opium-smoking habit, they have been unable to utilize to the fullest extent their knowledge and abilities, besides losing the courage to cope with life in general. Should these addicts be cured, their knowledge and abilities could be put to useful purposes.

There is a shortage of labour, notwithstanding the fact that between 80 and 90 per cent of the whole population of the country is engaged in agriculture and industrial enterprises. The opium habit has much to do with this situation. Individuals falling into the habit do not lose the whole of their labour capacity in a short time, but it is needless to point out that their labour capacity is considerably lowered.

The habit however rapidly becomes chronic. Investigation shows that only two or three percent of the addicts can withstand some sustained labour. Thus if opium-smoking were completely suppressed, the labour of several hundred thousand men could be available to offset the shortage of labour needed in the exploitation of the industrial resources in the country. In this way is the opium question closely related to public health, politics and national policy.

International Situation. Although it is not long since Manchoukuo was established, a number of countries have already extended their formal recognition to the new State. Despite the fact that there still are foreign Powers who have not recognized Manchoukuo, Manchoukuo has made herself into the modern State that she is at present, thanks to the untiring, united efforts of her Government and the people.

Racial Unity. Racial unity is the sole objective which Manchoukuo has had in view ever since her foundation. On this principle are based all the foundations of her political system and institutions. For the purpose of bringing about this racial unity, the Manchoukuo Government has established what is now known as the Hsieh Ho Hui (the Concordia Association) as a fabric of State structure. This organ of the Government is charged with the task of exalting Manchoukuo's national spirit of racial unity and harmony.

It means, in a nutshell, the perfect unification of all the different races residing in Manchoukuo so that they may be able to forge ahead together in attaining the great common ideal, namely, the creation of a land of peace founded on "Wang Taoism" (the Kingly Way).

Everyone may fully understand this spirit theoretically and act loyally to the State in line with this principle. But in the efforts expended towards establishing this racial unity, everyone in the country should be not mere theorists, but men of action and practice. Only when the whole nation acts positively and faithfully in accordance with the spirit, can real racial unity be brought about.

With the Manchu and Mongol races opium-smoking is, so to speak, a historically hereditary disease. Although a heroic combat has been continued for many years by them against this disease, the battle has not as yet been won.

The harms of opium-smoking have permeated so deeply into the fabric of Manchoukuo society and every phase of the daily life of her people that young and old, men and women have come to regard the habit as a great national agony, and to dread it as such. Even addicts, themselves knew fully the dreadful harms of the habit. Once they fell into its clutches, their will power gradually weakened and their spirit of self-recovery became completely lost. Thus, the opium habit developed into a national calamity.

Opium-smoking cannot be eliminated unless proper collective counter-measures are taken by a group of different but harmonious races. If the Manchurian race, long a slave to opium-smoking, can free itself from its shackles with the assistance and co-operation of the Japanese race, unfurling as it does the banner of racial harmony, then the Manchus would naturally appreciate and feel grateful for the efforts of the Japanese made in the spirit of racial unity.

Since her foundation, Manchoukuo has accomplished various things meriting admiration in the administrative field, too numerous to enumerate here. In those undertakings which so far have relatively failed to show tangible results, the fullest cooperation of the general public has not been forthcoming. But as far as the opium question is concerned, the whole nation fully realizes its dangers and is cooperating in the successful suppression of this habit. The successful termination of this campaign will be an accomplishment of historical significance and of great credit to the Manchoukuo Government.

The nation as a whole will also come to realize the sound administrative policy of the Government and form a better understanding of its efforts, thereby promoting harmony between the Government and the governed. The secret of racial unity lies in the sharing by different races of their respective difficulties and pains. The suppression of the opium-smoking habit which calls for the highest form of sharing can be regarded therefore as the first step taken towards the establishment of real racial unity.

Fundamentally, a government by virtue of laws can guide its nation and regulate its activity. But the Manchoutikuo Hsieh Ho Hui (the Concordia Association), it should be noted, is an organization which, from a moral standpoint, affords spiritual guidance to the nation and puts into practice various state programs based upon the Wang Tao principle.

For example, with regard to the opium question the Hsieh Ho Hui was asked to play the main role in disseminating necessary information for the subjugation of opium-smoking when the Government had decided upon its anti-opium program. Thus, the organization has been carrying on various activities for the suppression of this habit, rousing public attention to its danger, trying to prevent the birth of new addicts by means of social sanctions and administering speedy medical treatment to confirmed drug fiends.

At the same time the Hsieh Ho Hui has constantly and steadfastly exerted every effort, out of its spirit of mutual assistance, to help and to encourage addicts both directly and indirectly to recover their self-respect without disappointing or disheartening them, in face of innumerable difficulties.

The Hsieh Ho Hui is continuing its movement for the creation of a richer and stronger State. In accordance with its principle of national guidance sorely needed at this crucial moment, curtailment of material consumption, encouragement of productivity and money savings, utilization of waste goods, exaltation of the national spirit of loyalty and the encouragement of voluntary labor service to the State are the ideals that guide this movement.

At present, there are still about a million addicts in this country. Several hundred million yuan is expended in the consumption of opium and other narcotics while the number of persons succumbing to the harmful effects of opium-smoking is estimated at several tens of thousands. These facts show the serious harms which narcotics have on physical strength, manners and customs of the whole nation. Unless the consumption of dangerous drugs is speedily suppressed, the encouragement of productivity and money savings and the exaltation of the popular mind will be nigh impossible.

Conclusion. Already, more than two years and a half have passed since the Government first adopted its positive policy of suppressing the drug habit. During this span of time, the Government has left nothing undone in its efforts to find a speedy solution to the various problems that are related to the policy. Taking into consideration the failure of past attempts in this direction and the necessity of meeting the exacting requirements of the current situation in the country, the anti-opium campaign has been divided into several different stages.

The first stage, completed by the end of July, 1937, was occupied with the registration of all old addicts. The second stage, which was started immediately after that date, covered the perfecting of medical facilities to be placed at the disposal of the addicts. The third included the institution of stringent laws to prevent the rise of new addicts. This was started the very day the registration of the addicts was finished. But its enforcement was not to begin until after the completion of the second stage. Accordingly, individauls, not duly registered found smoking opium and those found profiteering from the narcotic traffic have been severely punished, and will be punished with equal severity in the future.

Beginning with 1939, moreover, addicts in government service or in the employ of special corporations will not be tolerated. From every angle, efforts are being made to eliminate smokers once and for all, no matter what difficulties may crop up in the way. It should also be pointed out that the year 1938 was the time limit allowed for the reformation of such addicts. Thus if any addicts are found among public servants or employees of special corporations, there should, of course, be no room for any sympathetic considerations.

The opium laws mentioned above are applicable according to the social position or occupation of the addict. Besides, age restrictions are in force, in accordance with which all addicts aged under 30 were required to cure themselves voluntarily from the evil habit by the end of 1939. In case any such addicts are found after that date, they are to be indicated and subjected to forcible remedical treatment.

The original policy for the suppression of the drug habit was to be spread over a maximum period of ten years. But the Government intends to complete the policy within the shortest possible period. With respect to some narcotics, the Government, seeing that they were several times more poisonous than opium, adopted a policy of immediate suppression at the very outset.

In spite of this policy, some supply of these narcotics is still permitted. This is for no other reason than the prevention of their illegal traffic which otherwise would be impossible. After the perfection in the future of necessary medical facilities, the

addicts will preferentially be taken into infirmaries and other institutions. All addicts and illegal drug traffickers when found even after that will be severely dealt with.

CHAPTER XXVIII

SPORTS

The athletic activities widely popular in Manchuria consist of such sport as are practised in the West, such as baseball, rugby, tennis and winter games. Because of the winters, which are colder than in Japan, skating and skiing in Manchuria have won a large following among sports enthusiasts. Skating, especially, is highly popular and the wide expanses of the rivers in various localities, frozen during the cold months, make excellent rinks for this pastime.

In the summer months rugby and baseball attract keen attention, particularly among Japanese residents, and these games are given much prominence in the sports sections of the newspapers in Dairen, Mukden, Hsinking and Harbin.

Manchurian teams in track and field have also made visits to Japan in past years—a tendency which shows every indication of growing in favour.

Japanese "sumo" or wrestlng has also a large following among the Japanese in Manchuria. The bi-annual wrestling tournaments in Tokyo are broadcast to Manchuria each year and this has been a factor in creating the popularity in this sport. Furthermore, the professional Japanese wrestling teams have made it a practise to visit Manchuria almost every year.

All-Japan Ice Skate Contest

The winter of 1941 was featured by an exciting ice skating contest among representatives of Japan, Manchoukuo, Chosen and Kwantung held in Hokkaido. The team from Manchoukuo came out victorious in almost all of the events and several commendable records were made. The results of the contest are as follows:

Table 2. ALL JAPAN ICE SKATE CONTEST
(January, 1941)

		Winner		Record
Men's Speed				
500 meter	1st	Kin Sei Kyo	(c)	47 sec. 1
	2nd	Naito	(m)	47 sec. 3
	3rd	Takabayashi	(k)	47 sec. 8
1,500 meter	1st	Li Mei Ten	(k)	2 m. 37 sec. 5
	2nd	Ushijima	(m)	2 m. 38 sec.
	3rd	Katakura	(m)	2 m. 38 sec. 3
3,000 meter	1st	Li Ko Sho	(c)	5 m. 40 sec. 2
	2nd	Katakura	(m)	5 m. 41 sec.
	3rd	Kin Yoku Shun	(c)	5 m. 48 sec. 9
5,000 meter	1st	Katakura	(m)	9 m. 3 sec. 1
	2nd	Li Ko Sho	(c)	9 m. 7 sec. 2
	3rd	Kin Ko Kichi	(c)	9 m. 12 sec.
10,000 meter	1st	Li Ko Sho	(c)	18 m. 36 sec. 1
	2nd	Katakura	(m)	18 m. 36 sec. 9
	3rd	Kin Sei Kyo	(c)	18 m. 36 sec. 9
2,000 meter relay	1st	Kwantung		3 m. 9 sec. 2
	2nd	Chosen		3 m. 9 sec. 4
	3rd	Manchoukuo		3 m. 10 sec. 5
Total Score	1st	Chosen	52.0	
	2nd	Manchoukuo	50.0	
	3rd	Kwantung	23.5	
Women's Speed				
500 meter	1st	Nawate	(m)	53 sec.
	2nd	Sakamoto	(j)	54 sec. 3
	3rd	Kimura	(m)	54 sec. 3
1,000 meter	1st	Sakamoto	(j)	1 m. 52 sec.
	2nd	Nawate	(m)	1 m. 56 sec.
	3rd	Nagano	(j)	1 m. 56 sec. 2
3,000 meter	1st	Sakamoto	(j)	6 m. 22 sec. 5
	2nd	Ejima	(m)	6 m. 37 sec, 6
	3rd	Nozawa	(j)	6 m. 38 sec.
5,000 meter	1st	Okura	(m)	10 m. 18 sec. 2
	2nd	Kimura	(m)	10 m. 18 sec. 5
	3rd	Ejima	(m)	10 m. 18 sec. 5
1,600 meter relay	1st	Manchoukuo		2 m. 53 sec.
	2nd	Japan		2 m. 56 sec. 9
	3rd	Chosen		3 m. 16 sec. 3
Total Score	1st	Manchoukuo	57.5	
	2nd	Japan	42.5	
	3rd	Chosen	4.0	

Note: (m) Manchoukuo: (j) Japan: (c) Chosen: (k) Kwantung

(Continued)

RESULTS OF ICE HOCKEY

First Game

$$\text{Manchoukuo } 7\left\{\begin{matrix}1-0\\2-0\\4-0\end{matrix}\right\} 0 \text{ Tokyo}$$

$$\text{Kwantung } 8\left\{\begin{matrix}3-1\\2-0\\3-1\end{matrix}\right\} 2 \text{ Chosen}$$

Semi-Final

$$\text{Hokkaido } 6\left\{\begin{matrix}1-1\\2-1\\2-1\\1-2\\0-0\end{matrix}\right\} 5 \text{ Manchoukuo}$$

$$\text{Kwantung } 25\left\{\begin{matrix}9-0\\11-0\\5-1\end{matrix}\right\} 1 \text{ Japan}$$

Final

$$\text{Hokkaido } 2\left\{\begin{matrix}0-0\\1-0\\1-1\end{matrix}\right\} 1 \text{ Kwantung}$$

HUNTING

The following article **on hunting in Manchuria** is from the pen of Mr. Taro Itoda.

The wealth and variety of wild life in Manchuria conspire to create the greatest possible interest in hunting, which is consequently established on an extensive commercial basis. Moreover, commercial fur farms for the raising of such valuable fur bearing animals as, fox, elk and spotted stag are numerous.

Zoographically Manchuria is wonderfully blessed, this country being the converging point of three totally different zones:—the steppes of Central Asian plateau, Siberian forest zone and the sub-tropical zone of ever-green Japan and hot coastal area of Indo-China. We find in this country three totally different topographical terrains: the steppes on the north, the vast forests and the three great mountain ranges with their tops high above the sea of forests. We have within our easy reach a hunting Eldorado, possessing every kind of game to satisfy the entire gamut of hunting desire and taste, from big game hunting to small bird shooting.

Hunting and fur trading have both played important roles in the commercial development of Manchuria from time immemorial and as late as the closing years of the last century provided the only means of sustenance for over 90 per cent. of the inhabitants of that area, excepting the nomads and tribal races of the far north. With the gradual advance of civilization into the wilderness following the construction of the railways, hunting dwindled to its present insignificance, though still important and the game is gradually being pushed farther north or into the very depths of the Kirin forests. Nonetheless the industry still plays an important part in the economical well-being of the country. Almost 2,500,000 pelts of 30 different species were exported to foreign countries during the 1931-1932 hunting season bringing almost six million yuan in revenue (Jubilee Collection, 1932).

Hunting for meat and fur still forms one of the principal means of living for the Orochons and Solons of the Great Hsingan and Barga districts and of the Golds, a subfamily of the Tungus, inhabiting the lower reaches of the Sungari and the Little Hsingan range and a part of the Kirin forests. Chinese, Manchus and Koreans of Kirin Province were the first and only professional hunters of this country until the advent of the Russian marksmen who came into this country with the start of the construction of the former Chinese Eastern Railway. These late-comers being armed, bolder and more expert soon ousted the primitive natives; yet the Russians never went any great distance from the railways due to the total absence of ordinary comforts of the simplest kind, also due to certain restrictions placed on travel by foreigners outside the treaty places, and what was worst of all, the instability and rampancy of bandits then prevailing, especially in the Kirin forests.

According to official statistics (1934), both hunting and trapping in this country have given employment to some 40,000 souls and the annual turnover of the trade is approximately 20 million yuan, the net income of each person engaged averaging 500 yuan a year. These figures most eloquently speak of the great importance a well rationalized hunting industry would have on the economic life of the State. Unfortunately for this very important industry, it has not been given the attention it deserves, with the result that the above return is less than half of what it was in the first decade of the present century. For this state of affairs, the blame must be laid to irrational killing of the game as well as to equally thoughtless felling of trees unattended by no attempts at reforestation. (At present there is in Manchuria a hunting law which prescribes a closed and an open season for game, also a law for reforestation. All such primitive methods of trapping as pits dug in the ground, baiting either with poison or dynamite, are absolutely prohibited by the Government, as is also the reckless killing of the game for the mere sake of killing).

Methods of Hunting

The following methods of hunting were in vogue prior to the promulgation of the Hunting Laws of Manchoukuo a few years ago, while a few of these ancient methods are still permitted. The increase in the values of fur on world markets in the last few years created an army of murderous hunters armed with dynamite and strychnine. This army sallies forth into the steppes and forests to scatter all over the country their dangerous implements which slaughter all species of animals, both valuable and worthless, threatening extinction. With the exception of a mere 20 to 30 per cent of all animals so killed which fall into the hands of the hunters, the rest are a total loss, and their poisoned carcasses, devoured by other beasts create a wanton destruction of animal life. Besides, the fur of strychnine-poisoned animals possesses almost no commercial value due to the simple reason that the fur falls off the skin as the result of the chemical reaction of the poison.

1) Going after the game on horse-back, with a pack of dogs: This method is practiced by the Mongols, Orochons, Solons and This method is practiced by the Mongols, Orochons Solons and other nomads of the north.

2) Trapping fur-bearing animals: This method is practiced by Chinese, Koreans, Manchus and a few Russians.

3) · Catching animals for their meat in trap-holes: This is the favourite method of the Chinese and Manchus.

4) Use of dynamited bait: This savage practice is followed by Chinese and Koreans.

5) Use of poisoned bait: This is practiced by Chinese and Russians.

6) Snaring small birds with nets and nooses: This is another favorite method principally employed by the Chinese.

7) Hunting with oversized cross-bows attached to tree trunks the bows being set off by the victim. This method is practiced by the Chinese only.

8) Hunting game with firearms: This system is practiced by Russians and Manchus and a few Chinese professions.

9) Using falcons for game-birds: This method is a favorite sport of the Mongols, Manchus and Chinese.

10) Hunting birds with firearms, this is practiced by Russians and a very small section of the Chinese huntsmen.

11) Hunting the smaller animals with the trained, common eagle: This primitive method is practiced by the Mongols only.

Each of the above methods has its own individual merits and its use is influenced by the season, weather, nature of the terrain, nature of the game sought, qualifications of the hunter, the condition and quality of the firearms, the number and ability of the dogs and numerous other factors too numerous to mention. Fur-bearing animals are sought with all manner of traps by Manchus and Chinese and practically never with firearms. The Mongols use a kind of trap which they call 'dui'. This trap is constructed with the aid of two tree trunks, one dead and the other healthy and springy. The dead trunk forms the lower beam of the trap, with the heavy healthy one placed on it at an angle of 30 to 40 degrees, while the bait is so placed within the trap that the animal will cause the heavy up-right to fall across its nape, thus killing itself. Another primitive method frequently employed is the running noose. This is placed in the animal's path well concealed with twigs and leaves with one end securely fastened to a nearby tree.

For trapping the animals used for meat such as roe-buck, wild goat or boar, the Chinese build an extended corral-like abattis or a blind alley at the end of the woods. This alley extends from 10 to 25 kilometres in length and all along the path of and leading to this fence pits are dug and covered with small twigs and branches spread over with leaves. The animal is hounded towards this enclosure and fleeing from his pursuers falls into one of the pits. This method is extensively used by the natives yet a number of animals so caught manage to extricate themselves and flee, only to fall easy prey in their weakened state to other stronger animals. Chinese call this method of trapping 'lu-da-wei.'

The legal hunting season runs from September to the middle of March Hunting with firearms for big game is pursued with or without the aid of dogs. However, to go after big and dangerous game it is vital that the hunter possess experience, endurance and presence of mind, for without these resources he will be lucky if he returns alive, though with empty bag, after having shot at his tiger or what not. If luck is not with him, he will have fallen victim to his quarry. All big game hunting in Manchoukuo is dangerous even for the experienced hunter because of the extreme wildness of the forests and the constant danger of a sudden attack by an animal from the rear or from ambush. Every one of these conditions or possibilities demands the hunter possess nerves of steel, endurance, presence of mind, altertness and agility. Local hunters of Sansin and visiting hunters from the' nearby villages at the commencement of the hunting season in the Little Hsingan range invariably organize themselves into groups or squads comprising from five to 15 persons. This grouping is forced upon the hunters because of (1) the extreme danger attending them in the pursuit of their game and also for protection in case of a sudden surprise attack: (2) their lack of means with which to purchase powder and provisions for the duration of the hunting season as well as to support their families during their absence from home.

This hunting group is usually financed by one or more Chinese hongs who are usually fur-buyers, the condition being that the hunters so financed, provisioned and armed will deliver all their trophies to the hong who staked them. At the end of the hunting season and on delivery of all the game killed to the hong, the latter is obliged to buy the skins according to the market value at the day when the delivery is made and a final settlement is then made with the hunters. Obviously under such conditions the fur market was unbalanced, the buyers being united in securing the skins cheaply by forcing their hand against the hunter. In some of the out-of-the-way corners of bleak north Manchuria where the climate is extremely severe in winter the nomadic hunters readily exchange the pelts for a few ounces of alcoholic drinks or other necessities to protect themselves from the cold. The open season for shooting game-birds usually commences at the end of August and ends at the beginning of November, but the pheasant, woodcock and wood-hen season lasts until February. There are moreover the two-in-between-seasons for bird shooting, when the migratory birds including geese, ducks, quail, snipe, curlew, etc., are in flight; viz., in March and April on their way north and September and October flying south. The river basins of Sungari, Nonni, Mutankiang, Lao-ho and the lakes Dalai and Buir are the favorite resting and nesting places.

Pheasants, Turkeys, Woodcocks, Partridges, Sables and Squirrels

The best pheasant grounds are to the seat of Harbin and also along the valleys of the Ashiho, Maiho, Lalinho, Mutankiang, Murenho and Suifenho. Equally good pheasant shooting may be had along the middle and lower reaches of the Sungari.

First rate shooting grounds for wild turkey are the eastern spurs of the Great Hsingan range and along the valley of the river Muren. Woodcock are found in large numbers in all the forests and woods throughout Manchuria, the best season being in winter. Heath-cocks are mostly found in the main range of Great Hsingans and the best season for this bird is the spring.

Prairie chicken and partridges are principally found in the steppes of Barga though they are fairly common in the Sungari basin to the west of Harbin. Partridges are also caught in large numbers by the natives with a special kind of net.

In spring and autumn all the meadows and marshy grounds are thick with snipe, so much so that when they take to the air they simply blank out the sun and the average sportsman can easily bag a couple of hundred in a day.

Sables are still found in large numbers, but less than half of what they used to be some 20 years ago, in the majestic virginal forests of the Little Hsingan range and those of the Chang-pai-shan. Sables are hunted in two methods: with traps and nets. The natives stretch the net across the mouth of the hole and then chase the animal out of its den.

The best fur-bearing sable is found in the neighborhood of Sansin, coming from the Little Hsingan range. The fur of the sable fetches a fair price in the market.

Squirrels are plentiful in the woods and are either trapped or shot with guns of small calibre. Besides the native species of Barga one occasionally meets the Transbaikal squirrel in Hsingan province. They migrate to this region when there is a nut famine in their own homeland. The fur of the Transbaikal squirrel is priced higher than that of the domestic one.

Weasels, Polecats, Marmots, Otters, Ermines and Lynx

The Siberian weasel is found all over the country and is mainly trapped. Its fur is exported and Chinese writing and painting brushes are made from the hair of its tail.

The polecat is found everywhere and is trapped.

The marmot or prairie-dog is the native of the sandy wastes of Barga. In spring and autumn it is caught by being excavated from its burrow or is shot.

The autumn shooting season for marmot commences from the end of August and lasts to the middle of October and the spring season runs from the middle of May to August. Every hunting season finds more than 200 hunters engaged in this pursuit and it is one of the most profitable and safest of all forms of hunting in Manchuria.

In 1918 the total number of pelts of the prairie dog shipped from the Barga district by rail was 7,989,000 but in 1922 the total decreased to 1,363,000. This sudden and enormous drop in rail shipments is accounted for by the creation of an overland cart-transportation system from Barga to Tientsin through Kalgan and restrictions placed on hunting the prairie dog. In that year (1922) about one million pelts were shipped by cart to Tientsin.

Notwithstanding the fact that hunting of the prairie dog was prohibited, it was surreptitiously carried on by both Chinese and Russian hunters and the agents of the foreign fur buying firms openly bought such poached skins at ridiculousily cheap prices.

In August, 1925, the ban on prairie dogs was repealed and with its repeal the number of hunters engaged soared from 200 to 3,000, the latter number at present being engaged in the pursuit.

It is important to take good note of the following fact in hunting the marmot. As the hunter enters deeper among the sand dunes of the steppe, he must first make sure there is no stray dog far from its burrow-grounds, because such wandering dog is certain to be contaminated with sickness. It has been established by medical authorities that all bubonic plague epidemics with which this country is occasionally afflicted originate from such sickly prairie dogs. Such infected animals are therefore avoided by the hunter or if accidentally killed it is left unskinned. It is well known among prairie dog hunters all such sick dogs leave their burrows and colonies and go into self-imposed isolation until wholly recovered. The eyes of a stricken dog are milk-white.

The otter makes its home mainly along the banks of rivers and streams and is shot by a self-actuated bow or caught in a running noose. In the winter hunting season it is almost always killed near the water holes made on the frozen rivers. Its color is chestnut brown with a little mixture of grey. Its pelt is highly valued in the fur market.

The ermine is found in a few places in this country. It is one of the most highly priced furs. In winter it is white with the sole exception of the black tip of the tail.

The lynx frequents the Little Hsingan range as well as the Kirin forests, but is very rarely found in the Great Hsingans. Its color is light-grey with spots and the hair on the ear-tips is black.

Foxes, Raccoons, Badgers, Martens, Wildcats and Dogs

The fox is found in Manchuria in several varieties and the value of its fur varies according to its quality. In the Sansin district the color of the fox is black-brown; the Siberian crossed fox is red; in the Shihe district, white. It is caught with traps or poisoned bait and also shot.

Raccoon is found in the Kirin forests as well as in the Great and Little Hsingans. It is caught by excavating it from its burrow. Its fur is exported.

Badger is found throughout the country and it is excavated from its burrow.

In the steppes of Barga and in the Great Hsingan range the big grey Siberian wolf is found and in the Little Hsingan range and in the forests of Kirin province, smaller and red wolf. Wolves are caught by poisoned bait or with the rifle and the skins are exported.

The Himalayan marten is found in the forests of Kirin province and in the Little Hsingan range. Its rough fur has little commercial value. It is mainly trapped.

Corsac fox is found in Mongolia and in the steppes of Hulunbuir (Barga). It is hunted with dogs by the Mongols or shot by rifle by the nomads of the Hsingan provinces.

Wildcat is found in the forests of the Kirin province.

Domesticated dogs of better breeds having fine coats as well as the native mongrels also possessing a good coat have also become a source of commercial traffic due to the great demand for dog skins from abroad. Milady's pet or my lord's hunting dog of single color are the ones most in demand and most frequently disappear. It is claimed that dog fur withstands chemical processing in making imitations of other higher priced furs.

Leopards, elks, Wild Goats, Moose, Musks and Antelopes

The leopard is not found in very large numbers in Manchuria and is confined to the Little Hsingans and the vast unexplored forests of Kirin province. It is hunted with guns and dogs.

Meat furnishing animals are the elk, moose, mountain goat, wild goat, board, Mongolian antelope, spotted stag, tiger, musk and bear.

Methods of catching or killing the meat-furnishing animals are divided into two main categories: trapping and shooting with rifles. All the hoofed animals are either caught in the pit-traps or shot with guns and the savage clawed ones are killed with rifles, poisoned bait and dynamited bait.

Of all the wild animals commercially hunted the most important is the elk. It is hunted by various methods, primarily for the special products which it yields, such as the young horns, meat, skin, antlers, fat and unborn elk. The best season in which to get the young horn, extensively used for medicinal purposes in the Far East, is in June. Chinese catch the elks by trapping them in pit-traps and when any are found with the young horns still green they are reared in a pen until such time as the horns harden sufficiently to be ready for medicinal use then the elk is killed. Sawn off antlers are much cheaper then those with the skull bones attached and these latter are valued at from 500 to 800 yuan according to their weight. The antlers are boiled under some special process for preservation, the method being a carefully guarded secret, known only to a few hunters.

Antlers of the spotted stag which is still more rare found only in the Kirin forests fetch a price even double that of the elk-horns. In Chinese and Tibetan pharmacopoeia the antlers from the spotted stag are one of the most important medicines and along with

ginseng are used for curing very obstinate chronic ailments.

Besides the aforementioned products the elk yields horns weighing up to 18 kilograms which he sheds every March. The horns have considerable commercial value, as many useful articles are made from them.

During the month of September, which is the mating season the Russian hunter goes out after the stags with a horn decoy by means of which he imitates the call of a bull-elk. This trumpet is made from wood. The game which has been so attracted is shot when it comes within rifle range. The mating season is of about a fortnight's duration and in this period it is not a rare sight to see a bull-stag leading a string of 10 to 15 does.

From February to April the female is specially hunted, especially those whose time of delivery is fast approaching. The animal is killed and the unborn elk is removed dried and pounded into powder which is extensively used in Chinese and Tibetan medicine. Slaughter of female elk, especially under such inhumane methods and circumstances as practiced by the Chinese, will, if uncontrolled, soon see the total extinction of this valuable specimen of wild life of Manchuria.

The tail of a female elk is highly priced by the Chinese who consider it a great delicacy.

Raising of elk and spotted stag on farms, unfortunately, had never been practiced in the past due to the rampancy of bandits and because of other factors of instability, but since the advent of Manchoukuo a small beginning has been made near the city of Kirin, a two hour train ride from Hsinking. Elk and spotted stag farming will eventually bring good profits for the important reason that the demand for young horns for medicinal purposes is annually increasing throughout the whole of the Far East.

After the elk and the spotted stag, the wild goat, bear and boar follow in importance as suppliers of succulent and nourishing meat. The largest size attained by the boar is some 300 kilograms. Habitually found only in the very depths of the forests where there are abundant nut-bearing trees such as cedars, oaks, etc., when the year for nuts has been very poor and food is insufficient the boar ventures into the fields and causes immense damage to crops. Besides its meat the wild boar supplies bristles which are exported or made into brushes and rugs.

Wild goat is the principle source of subsistence for some of the nomadic hunting peoples such as the Orochons, Solons, Golds and Tungus. It gives meat for food, fur for clothing and skin for making tents. Some of the male species attain a weight as much as 50 kilograms.

The Russian hunter seeks the wild goat with a rifle and the wild boar with rifle and dogs. Dogs are used in tracking and cornering and keeping the animal at bay until the hunter arrives for the kill.

Moose is found only in the main range of the Great Hsingans and it is hunted principally for its meat and fur, which latter is used in the manufacture of imitation chamois leather. The moose attains the huge weight of 500 kilograms.

The musk is found in large numbers, principally in the forests of Kirin Province. It is hunted for the musk-gland which is only available in the male species.

Mountain goat is found only in the precipitous rocky tops of the mountains far above the timber line in Kirin Province. Hunting for it is most laborious and difficult as well as dangerous. The goat gives about 32 kilograms of succulent meat and the skin makes a valuable rug.

Mongolian antelope is only found in the Barga steppes. It may be taken most of the year but in February and March the animals herd together and migrate to other places for these two months. The Mongols hunt the antelope on horse-back. They chase it until it is utterly exhausted, when it is a simple matter to capture it, while the Russian hunts it with military type rifle or other large calibre gun.

Tigers

The most valuable and most interesting as well as the most dangerous sporting prize in Manchuria is the tiger. This animal plays no small and mean role in native superstition in the Far East. It is valued because of the excessive demand for, and the very limited supply in respect to the Chinese and Tibetan pharmacopoeia.

Chinese hunt the tiger with guns loaded and so placed against some tree in the path of the animal that it will automatically discharge the gun against itself, while the Russians boldly match their skill in winter with the aid of dogs used for tracking the king of the wilds. Tiger hunting is extremely difficult and dangerous, and demands the maximum in experience, mental and physical alertness, and knowledge of the character and habits of the tiger. A wounded tiger rarely attacks the hunter directly but goes away so as to ambush him a little later and for that one reason it is vital for the hunter to be extremely careful and ever watchful, for a wrong step may be fatal.

Even a well, trained hunting dog fears to track a wounded tiger and for such purposes only especially trained native or Korean dogs are employed. The attack of a tiger is so sudden, noiseless and expert that sometimes the hunter is not even given a chance to use his gun. The force of the tiger always knocks the man to the ground and in some cases he is killed outright. There is no hope if taken unawares. The strength, agility and speed of the tiger, notwithstanding its bulk, are amazing.

The Manchurian tiger has little difficulty in carrying off the fight with a Himalayan bear of its own weight and it easily dispatches the bear with a fatal bite at the nape of the neck. So when a bear meets a tiger and is not caught unawares it usually saves itself by clamboring up the nearest tree and fearfully awaits the withdrawal of its only deadly enemy.

The tiger's principal source of food is the wild boar and it always herds them. It turns man-eater only, when it is old and has lost its native agility and cunning in getting its food by preying on fleeter-footed animals than man.

The Manchurian tiger is not closely related to the Indian or Bengal tiger as is most erroneously supposed but is sprung from the animal aborigines of Manchuria of the tertiary period. It is one and one-half times large than its Indian cousin and it sometimes attains 360 centimetres in length, 115 centimetres in height at the shoulders and weighs as much as 400 kilograms.

Because of the great interest evinced on the Manchuria tiger by the scientific world and because of the great demand in recent years from Europe and America for live specimens of the Manchurian tiger, Russian hunters both in the Ussuri district of Soviet Siberia and in Manchuria have commenced the dangerous practice of capturing these animals by bringing them to bay and then entangling them in nets and finally binding them with stout ropes.

However by such crude and dangerous methods it is only possible to catch live tigers weighing up to 160 kilograms, for it is impossible to bag a full grown animal whose agility and speed do not permit the successful manipulation of the heavy, clumsy nets.

At present the world's fur market offers for the skin of a full-grown Manchurian tiger as much as U.S.$5,000, whereas the skin of a full crown tigress or the pelt of a young tiger fetches only U.S.$3,000 and that of a baby tiger up to three years old is worth only U.S.$1,500.

Throughout Manchuria some 50 tigers are killed yearly. The carcasses are frozen and sold in the market, being generally bought by the Chinese for medicinal purposes. Part of these frozen carcasses are shipped to China through Shanghai and Tientsin.

The tiger is not only found in the forests of the Little Hsingan mountains and in the great forests of Kirin Province but is also native to the Ussuri and Amur districts of Siberia and northern Korea.

In the great forests of Manchuria, especially in the eastern part of Kirin Province there are to be found three types of bear, namely the brown Siberian bear, the grey Kamchatka and the black Himalayan. All of them live where they find most nourishment, where cedar, oak, walnut and other nut bearing trees are plentiful.

From November to March they hibernate; for this purpose the Himalayan bear chooses the hollows of trees whereas its two cousins select caves and other such secluded refuges in the forests. The bear is hunted for meat, skin and gall, this last article being valued for medicine. Chinese, Manchu and Koreans hunt the bear either with dynamited bait or with guns fixed against a tree or onto some other support which the unsuspective animal discharges against itself, whilst the Russian goes after bear with a gun and a pack of dogs.

Hunting Dogs

In Manchuria as in every backward country the breed of the native dog is somewhat primitive and in outward appearance it strikingly resembles its wild brother inhabiting the wilderness of the country.

All hunting dogs at present found in this country may be divided into two categories, locally bred and imported.

Of local bred dogs there are five distinct types according to breed, locality and training. The better known variety of native domesticated dogs in Manchuria are; (1) Mongolian greyhound or as it is sometimes called, Mongolian here hound; (2) Orochons' wild game dog; (3) Golds' wild game dog, this animal is used as a sledge dog in the long winter season; (4) Manchurian wild game dog and (5) Korean wild game dog. The wild game dog has been especially bred to attack animals such as bears, boars, tigers and the like.

The Mongolian greyhound is high in build, short haired and greyish in color. In appearance it strongly resembles the Russian greyhound but is more massive and rougher in its habits, its strength and endurance is astounding, much greater than that of its Russian cousin. It fearlessly attacks antelope, wolves, elks and the like. Thoroughbreds are valued at as much as 20 to 30 horses or ten camels. Inner Mongolian princes are the only ones who attempt to rear these dogs and very seldom are any seen either at Barga or Cherimski Seim, and it is only extreme cases that any are offered for sale.

The Orochons' dog is the native of Barga and the Great Hsingan district where the Orochons, Solons and Daurs domicile. It is of medium stature, of various colors, stubby, powerful and of great endurance. In packs they follow their game with fair success.

The Gold's dog is raised by the Golds and Tungus along the lower reaches of the Sungari. It is medium stature. Lean and tall, with big and erect ears, short, white hair its distinctive feature is its curled tail. It is energetic, powerful and very malicious. It never falters in attack, even singly, on boar, bear or tiger. The thoroughbred female dog is very highly prized and it is only when an owner faces an emergency that he will part with one.

The Manchurian dog is found chiefly in the Little Hsingan range and in the primordial forests of Kirin. They belong to the hunters and wild game trappers of these localities. With these dogs the hunter is frequently aided in catching sable, squirrel and Siberian weasel. In appearance this dog strikingly resembles the fox but is much longer of leg and broader of chest. Its coat is thick and soft, reddish-grey in color. The mouth, tips of its pointed ears and paws are black. It seldom barks and is as sly as its cousin, the fox, and equally malicious.

The Korean dog as its name implies is the native of northern Korea and is mostly owned by hunters operating there and also in the upper reaches of the Sungari, Mutankiang and Yalu rivers in Manchoukuo. It is of large build, stubby and solid. Its ears are small and flat. Its coat is short and thick and of different colors, mostly black-brown, grey like the wolf's and dun. It is very malicious towards all animals and goes singly against a tiger, leopard, bear or boar.

Fish

The Far East appears to be exceptionally blessed with fish, where river and sea fish form one of the principal items of foods for the inhabitants. Besides, a large quantity is exported. Fishing in Manchoukuo is carried out in divers methods, viz., nets, rods and spears. Fishing is commercially pursued along the Sungari, Nonni, Mutankiang, Liaoho, Ussuri and Amur. In addition fishing is carried out in the lakes of the Mongolian steppe, principally Dalai and Buir.

More than 100 varieties of fish are found in Manchoukuo, the variety and abundance even surpassing both Siberia and Europe.

In the number and variety of mammalia Manchuria surpasses all other countries of the same latitudinal position. There are over 100 kinds of animals and the majority of them are rapacious and carnivorous. The number of animals having any real commercial value is about 35.

Birds

There are more than 300 different kinds of birds in this country of which only about 40 are commercially valuable. In quantity, Manchoukuo possesses one and one-half times as many birds as the whole of Europe and two and one-half times as many as Siberia.

Conclusion

Through its great wealth in variety of flora and fauna and the extensiveness of its wooded territory Manchoukuo is exceptionally well blessed, with extraordinary possibilities for expanding its attractiveness for sporting commercial hunting and fishing as well as commercial farming of fish, fowl and game.

The steady advance of civilization and the opening up of new settlements encroaching on the forests and mountain ranges certainly calls for careful regulation and attention to game resources but by adopting a rational conservation policy it is possible to bring hunting to the same profitable level as all other commercial trades and industries.

One of the most profitable pursuits in this field is the raising of certain animals, such as fox, for its fur, and elk for its young horns.

For the preservation of valuable fur-bearing animals, such species as tiger, sable, elk, ermine, spotted stag, and musk deer must be protected from extinction. For that purpose it is imperative for the Government to establish several national parks and preserves as was the government's announced intention as early as 1936 when it decided to define the Great Hsingan range as a national park. By this means all this wealth of Manchurian flora and fauna might, under the protective care of the Government, increase abundantly.

Manchurian fur supplying and exporting centres are divided into the following four districts and the figures are for the 1931-32 hunting season.

District	Pieces (1,000)	Value (¥1,000,000)
Barga	929	1.9
Great Hsingans	382	0.7
Little Hsingans	253	0.6
Kirin Forests	1,009	2.6

Trade in Wild Animals Furs, Meat and Other By-Products of North Manchoukuo for the 1931-32 Hunting Season.

	Animal	Pieces	Local Markets (¥)	Pieces	Export Markets (¥)	Total (¥1,000)
1.	Tiger ....,	—	—	55	33,000	33.0
2.	Spotted Stag	10	2,200	190	41,900	54.0
3.	Leopard	—	—	32	6,500	6.5
4.	Sable	1,000	110,000	5,900	590,000	700.0
5.	Elk	1,000	92,800	4,000	371,200	464.0
6.	Bear	400	20,000	600	30,000	50.0
7.	Moose	1,400	49,000	—	—	49.0
8.	Lynx	75	4,375	325	8,125	12.5

(Continued)

Animal	Pieces	Local Markets (¥)	Pieces	Export Markets (¥)	Total (¥1,000)
9. Otter	750	15,000	1,750	35,000	50.0
10. Fox	750	13,000	14,250	267,000	280.0
11. Glutton (Wolverene)	75	1,125	25	357	1.5
12. Wild Boar	4,900	73,500	1,100	16,500	40.0
13. Wolf	1,000	10,000	3,000	30,000	40.0
14. Musk Deer	4,500	5,000	10,500	40,000	45.0
15. Racoon	5,000	25,000	14,000	70,000	95.0
16. Polecat	1,000	5,000	7,000	35,000	40.0
17. Corsac Fox	—	—	4,000	20,000	20.0
18. Mountain Goat	1,500	7,500	—	—	7.0
19. Marten	6,000	30,000	6,000	30,000	60.0
20. Siberian Weasel	15,000	56,250	60,000	168,750	225.0
21. Ermine	—	—	3,500	10,500	10.5
22. Wild Goat	9,000	27,000	6,000	18,000	45.0
23. Mongolian Antelope	2,000	6,000	—	—	6.0
24. Marmot (Prairie-dog)	—	—	800,000	1,600,000	1,600.0
25. Squirrel	100,000	100,000	1,200,000	2,400,000	2,500.0
26. Badger	9,500	19,000	2,000	4,000	23.0
27. Cat	5,000	5,000	10,000	10,000	15.0
28. Dog	100,000	100,000	80,000	80,000	180.0
29. Mole	1,000	500	7,000	3,500	4.0
30. Hare	10,000	2,300	190,000	43,000	46.0
Grand Total	281,060	779,550	2,431,227	5,962,950	6,742.5

From the above table we see that some six million yen worth of animal products were exported from Manchoukuo to foreign countries in the year 1932 which shows the economic importance of wild life to the State.

CHAPTER XXIX

PROVINCES AND CITIES

Antung Province

Most of this province lies close to the western side of the river Yalu and is of increasing importance because of its close communications with Korea. Excepting 10 percent of its area, the country is mountainous, plains being seen only along the short coastline and the river Ai-ho. The climate is considered best suitable to Japanese settlers. Deep mountain recesses provided homes for banditry which has of late years been reduced to a negligible numbr.

This is one of the most backward parts of Manchoukuo except a small area to the west of the town of Antung. Natural scenery along the Antung-Mukden Railway line in the district of Fengcheng is well noted, there being a plan of developing a national park there. Agriculture is seen in the plains but is in an undeveloped stage as compared with other provinces. Chief crops are Indian corn, soya beans, kaoliang, paddy rice, gingseng, tobacco. Tussur-silk is produced in the mountainous area. The district of Changho on the seacoast is noted for salt production. Many varieties of mineral deposits have been reported, including gold, silver, copper, lead, zinc, asbestos, mica, none of which, however, is as yet produced in any respectable quantity. The most important product is timber which is found in abundance in the upper course of the Yalu, the town of Antung being its chief assembling center since old times. Modern industry is seen in the form of bean oil refining, wood pulp and yarn manufacture. The output of tussur-silk, the most characteristic local product, is estimated at approximately ¥6 million a year. This silk is mostly brought out to Antung and exported to Japan, South China and India.

Antung. The municipality of Antung stands along the river Yalu close to its mouth, its population as of 1940 being 315,242, the fifth largest city of Manchoukuo. The harbor is built on the river but water being shallow, it can only accommodate ships of 2,000 to 3,000 ton class coming up the river at high tide. The annual movement of freight is around 200,000 tons. Timber of the Yalu basin is brought here and sawed.

Antung is also important as a station at the connecting point between the Korean and Manchoukuo railways. The new section of the city was created at the time of the Russo-Japanese war of 1904-5. Further industrial growth is to be seen as the result of a large scale power undertaking in the upper river and the subsequent industrial enterprises to be based thereon. Harbor improvement work is in progress despite failures in the past.

Tatung-kou. This port town unknown until a few years ago is situated closer to the estuary of the river Yalu. Harbor construction on a large scale is in progress as an outlet for the industry to be developed in Tungpientao and eastern Manchuria. The present plan to be completed over a period of 8 years from 1939 calls for a modern port accommodating 4000-ton ships and a large industrial town along the water front. A total capital outlay of more than ¥100 million is to be made for the same purpose. The proposed wharfing capacity is 2 million tons per year.

Fengwang-cheng. An important station on the Antung-Mukden Railway, Fengwang-shan, a high peak near by, is one of the "famous mountains" of Manchuria since old times.

Tunghua Province

This province, created in July 1937 as an independent administrative unit, lies on the right side of the river Yalu. It borders on Fengtien Province on the west, Kirin Province on the north, Chientao on the northeast, and Antung Province on the southwest. The greater part of the province constitutes what is known as Tungpientao, the rising district of industrial importance. Mountains of the Changpaishan system made the whole district inaccessible and backward in the past. The Yalu and the upper course of the Sungari, with their tributaries, drain the country.

Under these conditions of nature it is sparsely populated. Only 5.7 percent of the total area being under tillage, agriculture lingers at a very primitive stage. This part of the country was called in ancient times "a sea of trees," which, however, are all gone except in the northeast, as the result of uncontrolled disforestation.

The country was always known as a potential source of iron and coal but their presence was not confirmed until only a few years ago. With the progress of metallurgical surveys, mineral reserves surpassing the most sanguine expectations have been brought to light. The most important is the iron ore mine at Talitzukou, to the west of Linkiang, its deposits being estimated at 100 million metric tons. The ores found there are of high grades with iron contents ranging from 58 to 70 percent. The iron reserves found at Chitaokou, south of Tunghua and north of Chian, though of lower grade, are estimated at 10 million tons, and those at Laoling in the northern part of the province at 120 million tons. Another mine of equal magnitude has also been found at Pataokiang on the river Erhtaokiang, a tributary to the Sungari. In addition, reserves of coal, gold, manganese, limestone, asbestos occur.

The province is very backward in railway development as it is in all other fields, the only railway being a branch running from Meihou, on the Antung-Mukden line, to Tunghua.

Tungpientao. This district comprises what was the eastern section of the former province of Fengtien. Under the reformed system of administrative division Tungpientao embraces a part of each of the three provinces of Tunghua, Antung and Fengtien, its southern extremity running as far as the neighborhood of Kwantung Province. But what is commonly known as Tungpientao is Tunghua Province.

Tunghua. This town is placed on the left side of the river Hunho, a tributary to the Yalu and is mart of local importance for agricultural products, especially, soya beans.

Tsian. This ancient town of historic interest is placed on the right side of the Yalu and has a population of some 60,000. Its importance is seen as a distributing center of local produce such as soya beans, kaoliang, millet, tussur, gingseng, timber.

Linkiang. This town is the terminal point of river traffic up the Yalu. Its neighboring area is rich in timber.

Fengtien Province

Fengtien Province as it stands comprises the best part of the former administrative division of Fengtien. The most advanced and most thickly populated part of Manchoukuo. The area is approximately 75,500 square kilometres and the population 10,113,000.

The eastern part of the province is mountainous and the western part forms plains of fertile soil.

The river Liaoho drains the plains. The iron and coal mining of Manchoukuo is chiefly centered in this province. The magnesite reserves recently found in the area of Tashihkiao and Haicheng are claimed to be the richest in the world. The industrial enterprises around the city of Mukden represent 45 percent of Manchoukuo's industries. The Mukden-Dairen railway line is connected with a number of branches, forming a network of railways such as seen in no other part of the country.

Penhsihu. Known for its coal mine which is one of the three major mines of Manchoukuo. The Penhsihu Iron Works, now under the joint management of Japanese and Manchoukuo interests, is the oldest foundry in the country. The coal mined in this area, being of high coking quality, is supplied not only to the above foundry but also to those in Japan, the annual output exceeding 500,000 tons. The iron ore is mined at Miaoerhkou.

Mukden (Fengtien). Situated on the northern side of the river Hunho, a tributary to the Liaoho. This ancient town owes its origin to Nurhachi, the founder of the Manchu dynasty. The population as of 1940 is given at 1,307,993, the largest city in Manchoukuo. The municipal area covers 262 square kilometers.

This area is divided into 11 sections, of which Shenyang is the walled town, Tiehsi (Tetsunishi) is known for heavy industrial activity, and Tatung is marked by congestion of small scale and home industries. Mukden has always been an important mart for kaoliang, soya beans and other agricultural products, and its industries include manufacture of bean oil, textiles, arms, machinery, chemicals.

The industrial area of Tiehsi was marked off in 1933 from the new industrial policy of the Manchoukuo Government and placed under the management of the Manchuria Industrial Land Corporation. The land set for industrial development covers 24 square kilometers. The large scale industrial enterprises placed there exceed 100 in number.

Fushun. Situated east of Mukden, about 48 kilometers by railway. Fushun was marked by a few straggling farm houses until coal began to be mined in 1901. The mine was under Russian management until it was transferred to the ownership of the South Manchuria Railway Company in 1907. The annual output of coal is given around 10 million metric tons. The city based on this industry has a population of above 270,000, the fourth largest among all Manchoukuo towns and its list of industries recently added coal liquefaction, light metals manufacture, cement, glass, paper, flour milling, etc.

Yentai. Situated west of Penhsihu and known for its coal mine under the management of the South Manchuria Railway Company. The coal reserves are estimated at 30 million metric tons, the present output being around 150,000 tons a year.

Liaoyang. The oldest town in Manchuria with a history of some 4,300 years. This town threatened to fall in decay in the years preceding the birth of Manchoukuo but more recently is a scene of increasing industrial activities. The production of cotton in the vicinity has given rise to the cotton industry. In addition, mills have sprung up for the manufacture of rubber, cement, tobacco, fiber. Subterranean streams which are abundant in this locality are made use of for industrial purposes.

Anshan. This town, lying to the southwest of Liaoyang, developed on the basis of the iron mines which are estimated at some 600 million tons. These deposits were found in 1909 by engineers of the South Manchuria Railway Company which completed the foundry in 1917. This establishment was later transferred to the management of the Showa Iron Works. A number of industries allied with iron manufacture has lately been added.

Tashihchiao. This town from which the Yinkow railway branches off from the Mukden-Dairen line leaped into prominence since the discovery of the huge magnesite reserves in its vicinity. The Niang-niang Miao on Michengshan, about a mile and a half to the southwest of this town, is noted for its annual festival and fair, the people coming there for the festivity for five days each year being said to number as many as 100,000.

Yingkow. This port town is situated on the left side of the river Liaoho about 22 kilometres above its mouth. It was made an open port in 1864 as Newchang under the Tientsin treaty of 1858, but the town of Newchang itself is some way above the river. The Liaoho river which comes down from the Mongolian plateau, draining the fertile alluvial plain, made Yingkow a thriving town from ancient times. But the town lost part of its business after

Dairen began to attract trade in consequence of the harbor improvements made under Japanese enterprise. Still in coastal trade Yingkow ranks third among all ports of Manchuria.

Tiehling. One of the oldest towns in Manchuria. The railway zone now forming part of the town was reclaimed by Russian engineers when the Chinese Eastern Railway was built through this part. The town lying on the Tzuho, a tributary to the Liaoho, is situated to the north of Mukden. Until the opening of the railway, the town prospered as a concentration center of agricultural produce which was transported down the Liao by boats. Although no longer so important as an agricultural mart, its trade in soya beans and its manufacture of cotton goods, rayon and vegetable oils represent quite respectable figures.

Ssuping Province

This province created in July, 1941 as an independent province, lies on the north of Fengtien province and south of Kirin province. It occupies six prefectures, including Ssupingkai formerly belonging to Fengtien province, and a part of Kirin province. The total area of this new province is approximately 29,836 square kilometers, embracing 3,000,000 inhabitants. Located at the heart of famous South Manchuria, its fertile land is a center of agricultural products. Annual output of soya bean and kaoliang from this territory occupies approximately 10% of the whole agricultural output of the Empire.

Ssuping (Ssupingchieh). Now a railway junction of increasing importance, this town was only a grassy plain 40 years ago. Its population in 1942 was 74,636. The growth of the town dates from the time when the South Manchuria Railway Company placed the railway zone of this town under its administration. The export of soya beans to Europe a few years prior to the World War's outbreak in 1914 stimulated the growth of the town. Ssuping is today one of the most important distributing centers of beans The opening of the railway connecting the main line of the South Manchuria Railway with Pingchi and Pingmei has been another factor contributing to the development of the town. More recently liquid fuel, woolen and cement plants have been added. This town was elevated to a municipal city in 1941, upon the establishment of Ssuping Province.

Liaoyuang. This important town on the Ping-Chi railway was only a small Mongolian village less than a hundred years ago. Its development dates from the year 1910 when wharfs were built on the Liaoho as the terminal point of river traffic. Its growth was further stimulated by the opening in 1917 of the Ssupingkai-Chengchiatun Railway and later the Taonan and Tungliao line. It is a trading post for agricultural produce and livestock. The manufacture of bean oil, wheat flour and carpets is of not inconsiderable importance.

Kaiyuan. This town on the Mukden-Dairen railway line had been the most important distributing center of soya beans in South Manchuria until change was brought about in the movement of traffic through the construction of the Mukden-Kirin Railway. The volume of beans shipped to this point annually amounts to approximately 300,000 metric otns or half the amount recorded for former years. Bean oil making and flour and rice milling represent the main lines of local industry.

The ancient town of Kaiyuan where the tribal kingdom of Fuyu set up its capital lies some three miles to the northeast of the new town. This town tracing its history back thirteen centuries now has a population of only 40,000.

Hsifeng. This town is connected with Kaiyuan by means of a light railway. It is a mart for agricultural produce and tussur-silk.

Chinchow Province

This province lying to the southwest of Fengtien Province is densely populated in proportion to its area. The eastern section forms a part of the alluvial plain of South Manchuria and is suitable for agriculture and livestock breeding. The western section is mountainous and rich in mineral resources which, however, remain to be explored for the most part. The south of the province borders on the sea, its coastline being longer than that of any other province in Manchoukuo. The seacoast west of Hulutao, protected by a mountain range behind, enjoys mild climate.

Chinchow Province through which the Mukden-Shanhaikwan railway runs forms a link in the chain of communication between

Manchoukuo and North China. Developed since very early times, local industry is well advanced as compared with other provinces. Agricultural products of importance are kaoliang, soya beans, millet, rice, cotton, indigo, fruits. Cotton which through continual improvements of species promises to become a product of increasing importance is cultivated in the area along the railway, its output at present being 19 million lbs. a year. The acreage under cotton is being greatly extended under Manchoukuo administration. In the same area fruits are extensively cultivated, the annual production of pears alone amounting to ¥2 million. Livestock of considerable importance mostly consists of cattle, swine and sheep. Along the coast fishery and salt manufacture are important. Cotton spinning aand other industrial lines have of late been introduced.

Chinchow. The history of this city is said to be traceable back 4,000 years. The wall enclosing the city was repaired in the latter part of the 14th century under Ming dynasty, its length being approximately 5 kilometres. Raised to the status of a city in 1937, Chinchow has a population of some 122,000 and is the most important mart in the Liaosi area. The Jehol railway connects with the Mukden-Shanhaikwan Railway at this point. Its trade is estimated at ¥28 million annually in value. The list of local industries includes tanning, bean oil, flour milling, metal ware, cotton spinning and weaving, brick, glass, etc.

Tahushan. This town on the Mukden-Shanhaikwan Railway is important as the original point of the Ta-Tung Railway which runs to Tungliao (Paiyintala) and more recently to Chengchiatun.

Hsinlitun. This town on the Ta-Cheng Railway is the starting point of the railway branching off to the Fuhsing coal fields. Also important as a connecting point with Jehol and Inner Mongolia.

Hulutao. Harbor construction at this point in Lienshan Bay was commenced in October 1910 and later suspended. This work was resumed by the Mukden warlord under contract with a European concern. The Manchoukuo Government continues the undertaking, intending to develop the port as an outlet for coal from the Fuhsing and Peipiao mines. Indications are that area around the new port will attract many industrial enterprises. Salt is produced abundantly around this part of the country.

Chaoyang. Placed on the upper course of the river Talingho, this town is of commercial importance as a trading center in the eastern section of Jehol Province. A market for kaoliang, millet, beans, and other agricultural products.

Peipiao. One of the most important coal mines in Manchuria. It was one of the first mines to be placed in operation. Coal is carried by railway to Hulutao by way of Chinchow.

Fuhsin. Under the new regime of Manchoukuo Fuhsin sprang into prominence for its coal resources. The so-called Fuhsin coal fields extend over the area around the walled town of Fuhsing, including Hsingchiu, Sunchiawan, Isingho, Pienmen, extending 65 kilometres north to south. The reserves are roughly estimated between 300 and 500 million metric tons.

Coal of the jurassic period occurs in four overlapping seams within the depth of 400 metres from the surface, the thickest seam measuring 30 to 40 metres. The uppermost seam lies 20 metres below the surface and may be operated by open cutting. The Manchuria Coal Mining Company in 1935 commenced open cutting mining at Sunchiawan, where the annual output is now around 2 million metric tons, the proposed output being 10 million metric tons for 1942. The coal of Fuhsin is highly volatile and suitable for fuel manufacture for which plants are under construction. More recently the discovery of oil reserves was reported in 1939 and experimental drilling was started, with some encouraging results.

Shanhaikwan. This border town standing between Manchoukuo and North China marks the eastern extremity of the Great Wall. At this point the Mukden-Shanhaikwan Railway connects with the Peking-Tientsin line. Its strategic importance was always recognized by military forces moving into or out of North China.

Jehol Province

This province forming the southwestern section of Manchoukuo borders on China in the south with the Great Waall as a dividing line and its western area rising to a series of tablelands borders, on Inner Mongolia, the latter part being characterized by a highly continental climate as of the Mongolian plateau. The eastern section forms plains. Many hot springs are found in the province as proof of volcanic activity in ancient times. The northern area drained by the river Laoha, a tributary to the Liao, is the most backward part of the province in point of industrial, agricultural and other developments.

The town of Chihfeng is a commercial center of the northern section, Lianyuan (Chienchang) the center of the southeastern section drained by the upper reaches of the Talingho, and Chengte (Jehol) the center of the southwestern part lying on the upper course of the Lanho, the last named area, being the most advanced part of the province. The population of the province is estimated at 3.8 millions, of whom some 400,000 are Mongols. Most of the inhabitants engage in agricultural and pastoral work under primitive conditions. Millet, kaoliang, Indian corn, buckwheat and beans are major products. As a special local product, opium is cultivated, its annual output being estimated at ¥20 million in value. The list of livestock includes cattle, horses, sheep, goats, asses, camels, hides, and camel's hair carpets are produced in fair quantities. The mineral resources which still remain unexplored for the most part are said to include coal, gold, silver, lead, copper, iron, tungsten, asbestos, mica. Among branches of industry seen in the province the most important is ceramics and processing of livestock products at Pingyuan, Hsifengkou, and elsewhere.

Racial Distribution. The Jehol area since the conquest of China by the Mongols was regarded as a pastoral land and reserved for their own race. Under the Manchu dynasty great importance was given to this outlying area, the famous summer palace being constructed at Chengte. The republican government of Nanking made Jehol a special administrative district.

The province of Jehol was divided into 14 banners comprising a Mongol population of 540,000 but under the new administrative system of Manchoukuo is composed of 6 banners with Mongol inhabitants numbering some 400,000. In the early period of the Manchu dynasty the entire province was Mongol territory excepting the 4 hsien or districts of Chengte, Fengning, Lunghua, Weichang, the districts which the Mongol rulers were said to have turned over to the Manchu rulers as tribute. In those early times distinct lines were drawn separating the Mongol area from that of Chinese. But with the steady advance of Chinese agricultural settlers, the Mongols lost their lands, this tendency being accentuated under the republican regime. Under the impact of Chinese pressure, the Mongols lost much of their pastoral land and their racial

economy followed a steady course of recession. There were Mongol revolts aiming at recovery of their lost band but were invariably unsuccessful.

No small part of the Mongol population, particularly in the southern part of Johol, having early come in touch with Chinese influence, has practically lost their own racial identity. Many of them turned from pastoral to agricultural lines, cultivating like Chinese farmers kaoliang, millet, beans and buckwheat.

Chengte (Jehol). This leading town of Jehol has a population of approximately 510,000. Situated in a valley on the river Wulienhho, a tributary to the Lanho, the town is an important point on lines of internal communications. The summer palace and large Lama temples found near Chengte are of international fame.

Chihfeng. This town forming the terminal point of the Yeh-Feng Railway is the most important commercial mart of the province. Its trade mainly consists in livestock which is brought out from the extensive pasture land to the west, and in opium and medicinal herb. The last census gave its population at approximately 430,000.

Pingchuan. This town lying to the east of Chengte is important as a mart for caravan trade with Mongolia. The population is given at 25,000.

Kupeikou (Hupeikou). Forms a natural barrier on the road leading to North China through the Great Wall. Now connected by railway with Peking in one direction and with Chinchow in the other, the town is growing in commercial importance as a local distributing center.

Kirin Province

This province comprises the central portion of Manchoukuo, the river Sungari draining a large section of the area. The western section of the province takes in the central plain of Manchuria with abundant production of soya beans and wheat. The new capital of Manchoukuo, Hsinking, forms the center of this section. The eastern section of which the town of Tunhua is the center is mountainous and heavily wooded. The intervening section of which the town of Kirin is the center provides rich resources of timber. The cultivation of rice in this part of the country is of recent origin but gives promise of good development.

Industry. The total area of the province is 10 million hectares of which 4.2 million hectares are tillable and some 3 million are under cultivation. Main agricultural products are soya beans, kaoliang, wheat, millet, rice, tobacco. Special mention should be made of wheat which is grown in abundance in the area of Nungan and Fuyu on the river Sungari. When its cultivation is further developed, as is planned, the wheat production of this locality alone will be sufficient to supply half the amount of wheat Japan imports each year.

The wooded areas along the upper reaches of the rivers Sungari, Lalinho and Mutankiang comprises huge timber resources. The present output of timber is some 900,000 koku, the town of Kirin being the main outlet.

The river beds in the mountainous areas of the province abound greater or less in alluvial gold which in the past was recovered only in small part. Primitive methods of mining, lack of capital, activity of banditry, poor transport facilities, account for failures of mining enterprises in the past. Rich deposits of limestone found at Panshih on the Kirin-Haicheng Railway is giving rise to cement manufacture at Kirin.

Kungchuling. This town lies in the hilly area which forms the watershed between North and South Manchuria, at an average elevation of 211 meters above sea level, the highest point in the area along the Mukden-Dairen Railway. The river Kungchulingho, running through the town, divides it into two sections, new town and China town, with an aggregate population of 30,000. Kungchuling is important as an agricultural mart but is better known for the large agricultural experimental station conducted there by the South Manchuria Railway Company. This agricultural establishment, operating land of 440,000 tsubo area, carries on important research work in agriculture, livestock, and animal feeding material; its contributions in the past chiefly accounting for the agricultural development of Manchoukuo.

Hsinking

Being the northern terminus of the S.M.R. main line, Hsinking, the Capital of Manchoukuo, is located at a point 43° 55′ N. Lat. and 701.4 kilometres north of Dairen. The total area of the city, is

437 square kilometres, composed of the former S.M.R. Zone (55.9 sq. kilometres) old city including Kuanchengtzu (11.08 sq. kilometres), the new city (83.33 sq. kilometres), and surrounding agricultural districts (337.0 sq. kilometres).

Climate.—The climate of the city nearly resembles that of Tokyo, July being the hottest month of the year. The temperature begins to fall about the middle of August, it sometimes declining as low as 30° below zero in winter.

Population.—The population of Hsinking was returned at 527,445 as at the end of August, 1941, of which 378,207 were Manchoukuoans, 147,823 Japanese subjects including 17,118 Chosenese, and 1,113 white Russians. Compared with figures of 1932, it shows a gain of more than 400% in total, and an increase of 500% in the number of Japanese residents.

History.—Hsinking, formerly called Changchun, is a relatively new city, having a history of only 100 years or so. In old times, this area, it is said, formed a vast pasturage for Mongolians. Later under the Han dynasty of China, Chinese farmers immigrated there and set up a small town called Changchunpo at a point 10 Chinese miles north of the present Hsinking. Under the Ching dynasty, the town was selected as the seat of the local government. By virtue of the Sino-Russian Treaty of 1899, Czarist Russia extended the defunct Chinese Eastern Railway southward to Port Arthur and Dairen, following which the town began suddenly to develop as the local centre. Simultaneously with the creation of Manchoukuo, it was designated as the capital and its name was changed from Changchun to Hsinking (New Capital).

Principal Official Institutions.—(Manchoukuo side): Imperial Palace, Department of Imperial Household, Privy Council, Legislative Council (Yuan), Council of State Affairs, Supreme Court, Supreme Procurate, High Court, High Procurate, State Secretariat, General Affairs Board, Bureau of Legislation, Department of People's Welfare, Foreign Office, Department of Public Peace, Department of Economics, Department of Industry, Department of Communications, Department of Justice, Central Bank of Manchou, Industrial Bank of Manchou. (Japanese side): Headquarters of the Kwantung Army, Embassy, Consulate-General.

New City Planning.—As a result of the five year construction plan which was completed in 1937 the city of Hsinking has been greatly transformed. When the grandiose plan projected in 1932 is completed the city will cover an area of 200 square kilometres. The city converges at Tatung Circle from which broad highways radiate in four directions. The private and public buildings that were erected by the end of 1937 numbered 6,700, costing M¥60,000,000. If roads, water supply system, and other public utilities are added to this sum, the total cost is estimated to be M¥200,000,000..

The network of roads completed up to December, 1937 covered an area of 5,605,885 square metres, of which 1,390,813 square metres were paved. Their total length was 312 kilometres, which is equal to the distance between Hsinking and Mukden.

In that section of the Tatung Avenue, from Tatung Circle north to its junction with the Chuo-dori, the greater efforts in construction from 1932 to 1938 were centered. Much attention has been paid to parks. Five large parks, Tatung, Paishan, Mutan, Shuntien and Hoshun have been laid out, while another, Huanglung, is in process of completion. Apart from these parks, there is the huge Hsinking Stadium at Nanling. Covering an area of 1,500,000 square metres the sports center, upon its completion, will become one of the largest and best equipped stadiums in Asia. Compared to foreign municipalities, Hsinking has set aside 7% of its city area for parks, playgrounds and stadiums against 2% of Berlin, 2.8% of Tokyo, 1.4% of Washington, and 9% of London.

Hsinking possesses the best water supply system in Manchoukuo. Good pure water comes from the Chingyuehtan reservoir in the suburbs of the city. Covering an area of 78 square kilometres, the reservoir utilizes water from a tributary of the Itung River, and enough water is stored to supply a population of half a million. Even if the population should increase to one million, there will be no fear of water shortage as two other water sources are available, namely, the Yinma River and artesian well potentialities.

Taking all factors into consideration, Hsinking is not intended for an industrial city. In fact, it is expected to become a light industrial center. Industrial plants will be centered in the northern section of Hsinking, but in the future the South Station area will perhaps become the central industrial district.

Education Institutions.—(Former S.M.R. Zone): Hsinking Commercial School, 2 Girls' High Schools, 5 Primary Schools, Hsinking Public School, Hsinking Girls' Vocational School, Hsinking Industrial Supplementary School, Hsinlic School, Hsinking Girls' Vocational School, Hsinking Library (Walled town): 1 normal school, 1 girls' school, 1 middle school, 16 primary schools, Tatung College (Daido Gakuin, a college under Japanese management).

Communications.—Besides being the northern terminus of the S.M.R. main line, Hsinking is the starting point of the Hsinking-Tumen railway, the Hsinking-Harbin Line and the Hsinking-Paichengtzu Line. Further, the North Manchuria Railway, formerly called the C.E.R., connects with the S.M.R. main line at this city. Regular omnibus services run from the city to Itung, Kirin province, Shuangyang, Kirin province, and Nungan, Fengtien province. Plans are under way to open new omnibus services to many other towns in the vicinity. Regular air services, managed by the Manchurian Air Transport Company, are also available for Dairen (daily, Harbin, Tsitsihar and Tumen).

Telephony, Telegraphy and Radio Broadcasting.—Postal, telegraphic and telephonic matters are under the separate management of the Manchoukuo Government and the Government of the Kwantung Leased Territory. A direct Japan-Manchoukuo telephone service was opened to the public on August 1, 1934. The Hsinking Radio Broadcasting Station commenced operation on March 10, 1933.

Principal Products.—The city is a local distributing center of soya beans, kaoliang, millet, wheat, maize, rice, vegetables, lumber and livestock. Matches, bean oil, bean cakes, wheat flour, tobacco, ceramics and cotton piece-goods are the main products of the city.

Vernacular Paper and News Agencies.—Manchoukuo News Agency, Hsinking Nippo (Japanese language), Hsinking Nichi Nichi Shimbun (Japanese language), Tatung Pao (Manchurian language, Manchuria Daily News (English).

Shrines and Temples.—Hsinking Shrine, Higashi Hongwanji temple, Nishi Hongwanji temple, Changchun temple, Taishoji temple, Kongoji temple, Kyo-o-ji temple, Myohoji temple (Nichiren sect of Buddhism), Tairiku (continental) Church, Changchun branch of the Japan Holiness Church, Japan Christian Church, preaching hall of the Konko Teaching (Shintoism).

Principal Public Facilities.—City waterworks and sewage system, parks, horse race course, golf links, meteorological observatory, city hall, botanical garden, public playgrounds, slaughterhouses, garbage dumps (either completed or under construction).

Kirin (Chilin). This ancient town, originally built as a citadel of the tribal kingdom of Kaokouli, stands in a basin along the Sungari, surrounded by mountains known for scenery since old times. Because of good sight in and about the town, Kirin is often compared to Kyoto of Japan. The population as of the end of 1940 is 168,788.

Kirin has always been important for its timber business. Timber is concentrated here by railways and watercourses from the Chientao area and down the Second Sungari. Kirin is also a market for tobacco, hemp, herb, skins and hides. Local industry includes matches, paper, textiles, hosiery, candles, cement manufacture. Upon completion of a huge power station on the Second Sungari, which is in progress, Kirin promises to become one of Manchoukuo's industrial centers.

Panshih. This town on the Mukden-Kirin Railway has always been a mart for local produce, but its importance now owes to the rich reserves of limestone found in its vicinity.

Tunhua. An important town on the Kirin-Tumen Railway, standing on the left side of the river Sungari and enclosed by an ancient wall. The town has always been a distributing center of local produce such as timber, beans, hides. The population is given at 27,000.

Hungan. One of the oldest towns of Manchuria, but its commercial importance has somewhat declined in consequence of the development of Taonan and Chengchiatun. However, it carries on a considerable amount of business as a market for Mongolian produce. The population is somewhat less than 20,000.

Fuyu (Potuna). This ancient town stands on the right side of the Sungari and near the confluence of the Sungari and Nonni. Through these watercourses the town has always been known as a commercial center. Since ancient times it has been active as a trading outpost for Mongolian produce. In the field of industry flour milling is most important, its annual production being 450,000 lbs. The population is approximately 68,000.

Chientao Province

This province, forming the southeastern section of Manchoukuo, extends from the eastern side of the Changpaishan range to the lower course of the river Tumenkiang, along its left side. The eastern part of the province borders on the Maritime Province. The whole province is mountainous and heavily wooded. The climate is markedly continental, dry weather prevailing through most of the year. Because of its proximity to Korea, the province has since early times developed as a Korean colony, 77 per cent of its population being of peninsular origin. This part of the country was claimed as Chinese territory under the Manchu dynasty, the claim leading to frequent border disputes between Peking and Seoul.

Under the new regime of Manchoukuo an era of industrial development has been brought to this eastern province in consequence of the completion of the Mukden-Tumen and Tumen-Chiamussu Railway lines with the construction of new ports at Rashin, Yuki and Seishin, in the northern sector of the Korean peninsula. These ports are important because they take their positions as new outlets for trade with Japan. The railways above mentioned have stimulated the growth of agricultural, forestry and metallurgical production in the province. Through these new channels an increasing volume of traffic is flowing out from North Manchuria.

Chientao Province forms a valley, with mountain ranges running on all sides. The central area is divided into two plains, north and south, and is marked as a whole by frequent undulations of land. But the soil is fertile, there being abundant production of soya beans, rice, millet, kaoliang, Indian corn. The province is rich in mineral resources which, however, mostly remain undeveloped. The wealth of timber is giving rise to wood pulp manufacture.

Chientao. This local name is now applied to a specified agricultural area on the northern side of the river Tumenkiang. This area, now covering 21,500 square kilometres, was reserved for the Manchu inhabitants until it was opened to outside settlers in 1885. Steady streams of agricultural immigration flowed in form northern Korea and elsewhere. The Korean population at a time was so dominated that the country was declared Korean territory, adopting for the first time the name of Chientao. Chinese forces were sent out to expel the Korean settlers who, however, attracted there by the rich agricultural land, soon began to retrace their way. Korean immigration was later permitted by the Peking Government on condition that the settlers should be naturalized and they should not own land. However, disputes between Chinese and Korean settlers were very frequent. In 1909 Japan concluded with the Chinese government a treaty recognizing Chinese sovereignty and in return securing the right for Japanese and Koreans to enter and settle in the country. With this assurance Korean immigration renewed with vigor, with the result that the Korean population in this area at present numbers 530,000 as against 160,000 Chinese and 15,000 Japanese.

Chientao is eminently agricultural. The total acreage of tillable land amounts to 260,000 hectares of which 23,000 hectares are paddy fields. The average rice production is 31,000 metric tons a year. A distinct feature of local agriculture is the predominance of Korean population, 9 out of every 10 farmers being Koreans. The wooded area extends over 2.3 million hectares, embracing some of the richest timber resources of the country. Gold mining, though still in a primitive stage, is carried on at more than a score of places.

Tumen. Stands opposite Nanyo Station in Korea, with the river Tumen intervening. The terminal point of two railways, the one to Hsinking and the other to Kiamusze. The importance of this town dates since the advent of Manchoukuo, its present population being approximately 25,000.

Yenchi. This town on the Hsinking-Tumen Railway was formerly called Chutzukai and is now the administrative center of Chientao Province. The neighboring area embraces extensive paddy fields from which rice is produced in abundance. The town which was quite a small village fifty years ago has grown as a distributing center of agricultural products such as rice, soya beans, kaoliang. Population is approximately 28,000, of whom 9,600 are said to be Koreans.

Lungchiang. The most important town in Chientao from the commercial point of view. Its population is approximately 26,000, of whom the majority are Koreans. The Japanese Consulate-General is placed here.

Hunchun. Placed on the river Hunchun, a tributary to the Tumenkiang, this town is a border trading post of considerable importance. Its declining trade with Soviet towns is being offset by a growing trade with Korea. Population is approximately 13,000.

Pinkiang Province

This province of which the city of Harbin is the center occupies the central part of North Manchuria and is the most densely populated one after Fengtien and Kirin. The plains lying to the north of Harbin and along the river Hulanho are fertile and productive of beans and various crops, forming "the granary of North Manchuria." The eastern area along the Sui-Ping Railway, the section of the North Manchuria Railway between Harbin and Suifenho (Pogranichinaya), is well wooded and rich in coal reserves. All local produce is brought out to Harbin by five railways that converge there and also by the watercourse of the Sungari.

Agriculture is the most important branch of the province's industry. The list of crops includes soya beans, wheat, kaoliang, hemp, tobacco, rice. The main distributing centers of agricultural products are Anta, Hailun, Suihua, Hulan. The area under cultivation is 33,000 square kilometres or only 41 per cent of the total of the province. Since the entire tillable acreage covers more than 52,000 square kilometres or 66 per cent of the total area of the province, further agricultural development is looked for.

Local production of rice is of growing importance. Korean settlers are engaged in this line of agriculture along the Sungari and over the area around Chiamussu. The rivers Sungari and Hulan provide fisheries of considerable importance, the men working there during the ice-free season being as many as 2,500 in number. The province is also most advanced in industry as compared with others of North Manchuria. The manufacture of wheat flour, bean oil, paper, timber, leather are important. The production of flour in this part of the country makes up the bulk of output for the whole of Manchuria.

Harbin. The city of Harbin which was formerly a small fishing village dates from 1896 when Russia began to construct the Chinese Eastern Railway. The capital laid out by the Russian government for the development of Harbin was given at 260 million roubles. The last census taken for 1940 placed the population of the city at 681,882. The present municipal area covers 929.5 square kilometres, the largest in the world except New York. The five railway lines that converge here connect the city with Hsinking, Suifengho, Manchuli, Heiho, Kirin. The sungari is alive with traffic, junks going as far up as Kirin in one direction and Tsitsihar in the other, and downward to the Amur. Airways run to Manchuli, Hsinking, Mukden, Suifenho, Heiho, Kiamsze, Tungkiang, Mishan.

Harbin is the most important distributing center of wheat, soya beans and kaoliang. The manufacture of oil and flour is the most important among industrial enterprises, which are centered in the old town. The city itself comprises 10 administrative divisions under the city planning program now in progress at the capital outlay of ¥15 million.

Hulan. This town on the river Hulanho was the capital of the ancient kingdom of Chin or Golden Tartars. Its present population is given at 46,000. Because of its position on the fertile plain of North Manchuria and on the Harbin-Heiho Railway, Hulan, is a local agricultural mart of importance.

Suihua. This town of some 36,000 population is important as an agricultural market. The Harbin-Heiho Railway branches off to Tiehshanpao from this point.

Imienpo. This town lying on the Harbin-Suifengho Railway is known for its picturesque scenery and also as a popular summer resort. Population is some 21,000.

Mutankiang Province

This province, together with Tunghua Province, was placed on an independent administrative basis in July 1936. Occupying the eastern section of Manchoukuo, Mutankiang Province borders on Soviet territory in the east and on that account is very important from the defense standpoint.

The whole province is mountainous, the major systems of mountains being the Wanta and Laoling ranges. The only plains in the province occur along the basin of the river Mutankiang. The local climate is markedly continental. The temperature rises very high by day through the summer, but the heat is made bearable by cool mornings and evenings and by frequent showers in the daytime. Winters are long and severe, snow being seen as early as the closing part of September or the beginning of October. In late November all streams are frozen. Rainfalls are confined to the two months of July and August.

Placed far from commercial or industrial centers and with little facilities of communication, this part of Manchoukuo is very backward. Its development, however, is anticipated under the current industrial expansion and immigration plans. At present agriculture is most important, there being substantial productions of soya beans, millet, rice. The timber resources found in the province have of late given rise to the manufacture of wood pulp.

Mutankiang. The town of Mutankiang is one of the most important in eastern Manchuria, being the junction of the Harbin-Suifengho and Tumen-Chiamussu Railways. Mutankiang was only a small village until 1902 when the Chinese Eastern Railway was opened with a station built at this point. The town developed as a timber distributing place, but its present growth owes more to the opening of the Tumen-Kiamusze Railway. Mutankiang was municipalized in 1937 as an administrative center of the province and is now one of the most important military posts on the eastern frontier. Its rapid growth is due to the timber and wood pulp manufacture which is rapidly expanding. Its population is already excessive of 200,000 in 1940.

Suifengho. Also known by the Russian name of Pogranichnaya, is the eastern extremity of the North Manchuria Railway (formerly Chinese Eastern). Except as a point of international communications and border defense, the town is of little importance.

Ningan (Ninguta). An important distributing center of agricultural and forestry products. The fertile plains in its vicinity were the cradle of the Manchu tribe which conquered China. Tungking of the Pohai kingdom remains in the neighbourhood. The manufacture of flour, oil and timber represents main lines of local industry.

Tungan Province

This province was placed on an independent administrative basis in June 1939 by the combination of two former hsien or districts of Mutankiang Province and 3 hsien of Sankiang Province. This province borders on Russian territory with the river Ussuri and Lake Hanka as the natural boundary. The area of the province is approximately 41,400 square kilometres and the population some 346,000. Open plains found in many parts of the province still remain to be cultivated. In addition to agriculture which still lingers in a backward state, there are livestock and forestry industries developing. On the river Ussuri and Muliang, as well as on Lakes Hanka and Chingpo, fishing is important. Mineral reserves still remain undeveloped on account of disorderly conditions prevailing in many parts of the province.

Tungan (Mishan). An important station on the Hulin Railway and also a local distributing centre of agricultural produce.

Hulin (Hutoukou). The terminal point of the Hulin Railway branches off from Linko. Hulin stands opposite the Russian town of Iman with the river Ussuri forming the natural boundary between the Manchoukuo and Soviet territories. By descending the Ussuri river, Hulin communicates with Harbin by the Amur watercourse. Active fishing is on the river Ussuri.

Sankiang Province

This province forming the northeastern corner of Manchoukuo borders on Russian territory with the Amur in the north and the Ussuri in the east as dividing lines. The greater portion of the province is drained by the Mutankiang, Sungari, Amur and Ussuri rivers. The Sungari basin which occupies the central part of the province is marked by the presence of rich soil which for the most part remains to be tilled, there being encouraging outlooks for bean, rice, tobacco, wheat, kaoliang production. Opium is cultivated as a special product. Fishing on the Ussuri is of considerable importance. The wooded area lying between the Sungari and Ussuri rivers had always been an important source of timber supply, the local produce being taken to Harbin by river boats. The local woods are also the habitat of good fur-bearing animals for which the town of Sanhsing is the market. Coal and alluvial gold are

known to occur in abundance, although they remain unexploited for lack of transport facilities. This province was the first to be opened to Japanese agricultural immigration, which resulted in the establishment of farm communities in the region of Huachuan. With the recent completion of the Tumen-Chiamussu Railway, the whole province is now on the road to commercial and industrial development.

Chiamussu. One of those towns which have sprung into importance with the development of Manchoukuo itself. Chiamussu owes its growth to the construction of the railway joining it with Tumen on the Korean border. A fair volume of water-borne traffic is being carried on the Sungari close to which it stands. The population which was only around 19,000 in 1931 has now increased to 110,000. The river port of Chiamussu is the best on the Sungari, with the exception of Harbin, which may be reached by steamboat in twenty-four hours. This new town offers attractive conditions for industry which is springing up in the form of wood pulp manufacture. The administrative offices of the province are placed here.

Sanhsing. This town stands close to the confluence of the rivers Sungari and Ilan and its history goes back to the ancient kingdom of Chin (Gold). A distributing centre of grains, furs and timber. Because of the water-carried traffic that centres here, it is called the ''Yingkow of North Manchuria.''

Haokou. This town is known for its coal mine which is the largest in the province. The annual output is approximately 500,000 metric tons.

Peian Province

This province was formed as an independent administrative unit in June 1939 by the combination of some parts of Pinkiang and Lungking Provinces. Roughly speaking, the province comprises the area extending from the north of Harbin and Tsitsihar to the river Amur. The Small Hsingan mountains run through the northern part of the province, but the southern areas form fertile plains running out in many directions. Most of the tillable land in the province remains uncultivated, the land around Peian being considered the most suitable for agriculture. The area of the province is approximately 82,000 square kilometres and the population about 2.3 millions. The wooded area is extensive but provides little timber resources. Coal is known to exist in the area along the river Nonni and Noho.

Peian. The administrative centre of the province. The town stands at the junction of the Harbin-Heiho and Tsitsihar Railways. One of the newest towns to be brought forth under the new regime of Manchoukuo and located in one of the most backward parts of the country, its population is only 48,000, but its industrial and agricultural growth is looked for in consequence of railway developments.

Nunkiang (Nonkiang). Stands on the river Nunkiang more commonly known as the Nonni which provides navigable depths of water as far up as Tsitsihar. An important distributing centre of agricultural produce which is abundant throughout this part of North Manchuria.

Koshan. This town stands on the Peian-Tsitsihar Railway and is one of the important local marts for agricultural products. A national experimental farm station is placed here to conduct research in scientific agriculture.

Noho. An agricultural centre lying to the south of Nonkiang.

Hailun. A distributing centre of agricultural produce. Its development dates from the time of the Manchu dynasty in China.

Lungkiang Province

This province borders on Peian in the north, Kirin and Pingkiang Provinces in the east, and extends in the south as far as the plains around Taonan. The province lying between 41° and 48° latitude north, is drained by the river Nonni all through its length. The climate is markedly continental, winters being long and severe. The annual rainfall is only about 500 millimetres. Along the river Nonni are seen busy ports of Tsitsihar, Kiangkiao and Talai. By way of Harbin waterborne trade is carried on as far as the city of Kirin, standing on the upper course of the main stream of the Sungari.

The great fertile plain of North Manchuria extends from the north of Tsitsihar as far north as Koshan, in Peian Province, producing abundance of soya beans and wheat. The area in the south around the towns of Kiangkao and Tsingla is considered highly promising as a new agricultural land. Untilled farm lands extending over a wide area are attracting extensive homesteading. Good pasture lands are also found at many places. Sheep raising around the town of Taonan is well known. Mineral resources are still left unexplored but reputed to be rich. The recent development of a railway network with Tsitsihar as its centre provides good conditions for industrial development.

Tsitsihar. This town, situated on the river Nonni, dates from 1691 when it was built with a defensive wall surrounding it as a military outpost against the eastern advance of Russian influence. The two was opened to international trade by the Sino-Japanese treaty of 1905. Tsitsihar under Manchu rule, because of its strategic importance, was not opened to Chinese residence until 1897.

The present population is given at approximately 118,000, of whom 13,543 are Japanese. The town has of late years grown increasingly important as an agricultural centre in consequence of the opening of railways to Taonan and Nunkiang. Fishing is seen all along the Nonni, the annual haul amounting to 2 million pounds. Local industry is represented by flour, oil and liquor making, which is generally managed on small scales. The provincial government is placed here.

Anganchi. This town forms the junction of the Harbin-Manchuli and Yushu lines.

Taonan. The largest town between Tsitsihar and Ssupinkai, its population being about 48,000. The town itself is walled and planned very regularly. An important trading post with Mongolia and a distributing centre of kaoliang, soya beans and livestock.

Talai. A distributing point of agricultural and fishery products, lying midway between Hsinking and Paichengtzu.

Heiho Province

This province comprises a long stretch of land bounded by the Small Hsingan mountain range on one side and by the river Amur on the other, and extends from Moho Hsien in the northwest to Foshan Hsien in the southeast, running over a distance of some 1,300 kilometers. The area of the province is 110,000 square kilometres but the census population in 1940 is 149,679, the most sparsely populated area in Manchoukuo. Most of the province is highly mountainous except small scattered plains close to the great river, where farm crops are grown on a modest scale, the annual output of beans, wheat, and rice, combined, being only 66,000 koku. The inhabitants depend for most of their foodstuffs on external sources of supply.

The climate is marked by continental features, springs and autumns being very short and winters long and severe. The only important form of industry is mining of alluvial gold which occurs in many parts of the province, no less than 60 per cent of the inhabitants being engaged in this line. Hunting animals for furs is another occupation common among the natives, furs being an important article of trade with outside markets. Rich timbers resources are found in the north but most of them remain unexploited. Rafts are sent down the river as far as Habarovsk after a thaw sets in. The local population includes numbers of Tunguse tribes.

The mining of alluvial gold in the province dates from the 18th century but made little development, because of the primitive methods used in general, lack of transport facilities, and a disorderly condition obtaining. Many mines fell in decay in recent years. The region around the town of Heiho is the centre of gold mining, there being no less than 78 mining stations in that locality alone. Chinese coolies used to come out as far as here from Shantung Province and operate by crude methods, and they generally succeeded in reclaiming less than 15 yen's worth of gold a month. However, gold mining was placed on a modern mechanical basis in 1934 when the Manchuria Gold Mining Company was launched in operation. Gold production has since been increasing, the output in 1939 being estimated at above ¥8.5 million a year in value.

Heiho. This town stands on the river Amur, opposite the Russian town of Blagoveschensk, and is one of the important ports on the great river Opened to external trade in 1858, Heiho grew as the centre of the gold mining area, its population reaching 50,000 at a time when the mining was at its height. But the town sank in importance when the mining later fell in decay and outside trade shrank in volume and in value; the population of the town prior to the military outbreak of 1931 being only about 10,000.

But with a great timber belt running in its vicinity and the gold bearing area now operated by machinery, the town again gives promise of growth and development.

Aigun. This town, standing on the Amur below Heiho, was originally opened as a trading outpost with Siberia and as a stronghold on the northern frontier. The town consists of two divisions, the inner and outer walled towns.

Moho. This town is situated in the northwestern extremity of Manchoukuo. Its importance derives from the gold mining carried on in its vicinity, its population being less than 2,000.

Four Hsingan Provinces

The area of 420,000 square kilometres, corresponding to one third of the total area of Manchoukuo, around the Great Hsingan mountain range, was set apart by the Manchoukuo Government as a special Mongol country and called Hsingan Province. This area was later divided into 4 separate administrative units; North, South, East and West. The population of the four provinces, combined, is only about 2,123,000, of whom approximately 1,000,000 are Mongols and 1,000,000 Chinese, the former inhabiting the rural areas and the latter the urban. The White Russian colony of the Holunbuir district has a population of some 5,000.

Hampered by conditions of geography and with the smallest population, these Mongol provinces are most backward in all points. Over the plains and steppes of dry grass, livestock raising is practically the only important line of industry. Livestock is the only property of the Mongol population which lives on sheep as a staple article of diet. Sheep are raised in all parts of the country, their number being in excess of one million. They are milked and slaughtered for food and for their skins. Cattle are raised for dairy products and also used as draught animals, their number being 280,000. Horses are the only means of transport and raised by every household, their number being 180,000. Camels are raised mostly in North and West Hsingan Provinces, their number being some 7,000.

Many parts of the Mongol area offer good agricultural prospects. South and West Hsingan Provinces grow substantial amounts of kaoliang, millet, soya beans, and rice; and East Hsingan produces millet, barley and soya beans in fair quantities. The mineral resources in these provinces remain untapped except for the coal fields of Chalainor in North Hsingan. The forests of the Hsingan mountains cover an extensive area but are still unexploited. The two lakes of North Hsingan, Hulun (Dalainor) and Buir-nor (Bail-nor), provide good fisheries. In the mountains many varieties of fur-bearing animals are hunted.

In the desert of Mongolia many salt lakes of small dimensions are found. From these lakes is mined natural salt from May to September. The output of salt for July, the month in which the mining is most active, is given at no less than 600,000 pounds. The Holunbuir area, drained by three rivers emptying into the Argun, is called the Three River region and forms good pasture land with abundance of grass and running water. Some parts of this region were inhabited from ancient times by Buriat and Tunguse tribes but now provide prosperous farms for White Russians who number some 5,000.

Solun. A town of military importance because of its proximity to the Mongolian border and comprises one of the main stations on the railway between Taonan and Arshan (Hot Spring).

Chalantun. This town, known as a summer resort, lies at the eastern side of the Hsingan range. It is now the administrative center of East Hsingan Province.

Hailar. One of the most important stations on the Harbin-Manchuli railway, being a central mart of the Mongolian area. Its population is not much above 20,000, but the town is a distributing centre of Mongolian produce such as cattle, horses, hides and skins, furs, and meat. The town is also a key point in the defensive system of North Manchuria.

Manchuli. This town is the terminal point of the North Manchuria Railway, being close to the Russian border. Trade with Mongolians is fairly brisk. Population is given at about 7,000.

Kanchumiao. This ancient town, famous for its magnificent Lama temple, lies midway between Hailar and Manchuli. The annual fair held here in mid-summer used in former years to be very important, traders coming from not only many parts of Manchuria but even from Za-Baikal and Peking and Tientsin. To this fair Mongols brought their livestock and other produce and traded for provisions and sundry goods to fill their requirements through the year. In those days the transactions at the fair amounted to millions of Chinese dollars. But the commercial importance of the town has declined since the construction of the railway through the Mongol country.

Arshan. The name of the town means hot springs which are found at 44 places over an area 100 metres east to west, and 350 metres north to south. These springs draw many visitors from May to September, especially in July and August.

Tungliao. Formerly called Paiyintala meaning fertile land. The neighbouring area presents the most fertile land in Eastern Inner Mongolia, there being abundant agricultural produce. Brisk trade is carried on with Mongolia, the transactions in crops and livestock amounting to quite respectable figures. The town lies about a mile and a half to the southeast of the Liaoho river. Population is approximately 44,000.

Dairen

(Kwantung Province)

Dairen is situated on the southern tip of the Liaotung peninsula, lying at a point 36° 56′ N. Lat. and 120° 36′ E. Long. Latitudinally, its position is similar to that of Tsuruoka, a city in Yamagata prefecture, Japan, and longitudinally, Taihoku, the Formosan capital. To the south of the city rise Mt. Nanshan and Mt. Lushan. In the north it faces the Bay of Dairen.

Climate.—The climatic condition of the city is better than any other parts except Port Arthur, the temperature averaging 10° C. July is the hottest month of the year with an average temperature of 28° 9′ and January the coldest with an average temperature of 10° 4′ below zero.

Population.—The total population of the city as at the end of July, 1941 was 690,846 of which 493,911 were Manchoukuoans, 188,115 Japanese and 5,208 Chosenese.

History.—Formerly, Dairen was only a small fishing village, named Chingniwa. When the allied troops of Britain and France advanced on North China in 1858, the British fleet in China waters occupied this bay as its base of operation and renamed it

Victoria Bay. This heralded the introduction of Western civilization to Dairen.

Later, Marshal Li Hung-chang, Governor-General of Chihli province, was transferred to Shantung province, and erected fortresses and piers at this point turning the city into a naval base. After the Sino-Japanese War, Kwantung province was ceded to Japan by dint of the Shimonoseki Treaty, but following the Three Power Intervention Japan returned the territory to China.

In 1898, Czarist Russia leased this port and managed it along the lines of modern city planing after renaming it Dalny. During the Russo-Japanese War, the Japanese Army occupied it. On the anniversary in 1905 of the founding of the Japanese Empire, the headquarters of the Japanese Army operating in Manchuria against the Czarist troops changed the name of the harbour from Dalny to Dairen. In June of the same year, the Kwantung Civil Administration Office was organized under the direct supervision of the Army. The following year witnessed the establishment of the Government of the Kwantung Leased Territory. Simultaneously, the Dairen Civil Administration Office was brought into being. Since that time, Dairen has played an important role in Oriental trade as the only free port.

Principal Public Facilities and Schools.—Waterworks and sewage system; 5 sea-bathing places; 3 middle schools; 7 girls' higher schools; one technical school; 3 commercial schools; 17 primary schools; 5 Kogakudo; 4 youth training institutes; 3 nurseries; 5 municipal markets; municipal apartment houses; public pawnshops; municipal employment offices; 6 parks; slaughter-houses; 2 crematories; garbage dumps and 1 lighthouse.

Communications and Traffic.—The S.M.R. main line starts at Dairen. The city is 650 nautical miles from Moji (Japan), 530 from Shanghai and 247 from Tientsin. Within the city, houses, tramcars, carriages and rickshas are running.

Prinepial Vernacular Papers.—The Manshu Nichi Nichi, Manshu Ho, Taito Nippo, Kanto Ho, and the Manchuria Daily News (English).

CHAPTER XXX

THE CONCORDIA ASSOCIATION

(Hsieh-ho-hui)

The Concordia Association, or the Hsieh-ho-hui as it is known in the Manchurian tongue and as the Kyowa-kai in Japanese, is a national organ which has for its object the union of the various races in Manchoukuo into an association devoted to the attainment of the common object of building up an ideal State. Its members are composed of officials, scholars, lawyers, merchants, peasants, workmen, etc.

The Concordia Association is headed by the president who is the premier, and directly under him is the Central Headquarters located in Hsinking. The latter in turn control the principal headquarters in each province and the Metropolitan Headquarters in Hsinking, with headquarters in each hsien (Prefecture), banner (in the Mongol provinces a prefecture is called a banner) and city, and under them numerous branches.

The ideals of the Concordia Association are (1) the establishment of inseparable relations between Japan and Manchoukuo—oneness in spirit and virtue; (2) the concord of races; (3) the creation of a moral world through racial concord, and (4) the bringing into practice of an original Wangtao government.

In its task of rearing a nation of astute individuals, the Concordia Association is putting its greatest energy into the training and education of promising young men. Upon the establishment of a system for the training of youth in 1936, the Hsieh-ho-hui took over its management, and since then it has founded 70 young men's training schools in the important hsien, which have to date turned out more than 7,000 graduates. At these schools the students, during a period of three months, live under guidance of teachers sent by the Central Headquarters, and receive group spiritual and military training, as well as academic instruction so that they may develop into useful citizens.

Organization. Members of the Concordia Association form the backbone of the Association. It is a popular organization participated in by the masses. Individuals above twenty years of age who show signs of meeting the qualifications of becoming a member of the Association, are selected, regardless of race, creed, class or occupation and given proper training on the principles and spirit of the Association. Those who grasp the spirit of national foundation and who show exceptional ability are chosen from this select group to become leaders in the work of the Concordia Association. In this way, the general qualitative standard of personnel is being improved. The fundamental unit of the Concordia Association is the sub-branch which is the guiding organ of the district which it represents. It is in a position to get into direct contact with popular will.

In principle, sub-branches are organized geographically, but governmental offices, companies and army barracks are also regarded as districts.

The fact that the Association is not organized according to races, is worthy of note. This method of organization was avoided because there would bound to be differences and friction among sub-branches if the respective sub-branches were divided according to races.

Table 1. DISTRIBUTION OF CONCORDIA ASSOCIATION

(As in 1941)

Provincial Headquarters	City Hdqrs.	Prefectural & Banner Hdqrs.	Territorial Hdqrs.	Sub-Branches	Members
Hsinking	—	—	—	139	98,570
Fengtien	8	20	—	1,098	560,165
Kirin	1	16	—	333	366,174
Lungkiang	1	11	—	165	55,720
Jehol	—	12	—	262	91,826
Pinkiang	1	16	—	228	106,564
Chinchow	2	10	—	299	150,007
Antung	1	6	—	191	152,450
Chientao	—	5	—	56	69,966
Sankiang	1	10	—	146	39,400
Tunghua	—	9	—	225	40,104
Mutankiang	1	4	—	74	46,872
Tungan	—	6	—	33	17,285
Peian	—	13	—	155	49,805
Heiho	—	4	—	57	8,441
Hsingan E.	—	2	2	50	8,398
Hsingan S.	—	2	—	—	—
Hsingan W.	—	8	—	29	10,134
Hsingan N.	1	—	2	36	5,977
Total	17	154	4	3,581	1,877,902

The Organization of the Association is given in the following chart.

National Conference. A good government is one that reflects popular will. Parliamentary government which is an expression of this principle, developed for the purpose of expressing popular will, but at the present time, this form of government represents only the majority instead of the whole nation. It seems as though the rights and interests of the minority are not given full protection under such a system of government. Manchoukuo seeks to remove such deficiencies in the political organization of the state and to create a new system that fully reflects the popular will.

The special characteristics of this new system are as follows:

(1) Decisions are not made by a majority of votes. In parliaments of democratic countries, decisions are made by majority vote, which means that the deciding power is vested in numbers. A single casting vote can sway the issue one way or the other. In a country like Manchoukuo which is made up of a number of different races, a government based on political parties would result in the opposition among races and would tend to instigate racial antagonism. In consequence, the race or races enjoying numerical superiority would stress and protect their own rights, while those of minority races would almost always be trampled by the former. To safeguard all races from this danger, the system of unanimity is incorporated into the new system.

(2) Method of selecting representatives. Representatives are not selected by election, but by the individual sub-branch as a whole, i.e., by the universal approval of the members of the sub-branch, and by the approval of the directing headquarters. Five selections of representatives through this method have already been made by the Concordia Association. The reason why the election system was not adopted in Manchoukuo is that election depends upon numerical superiority, but this superiority of numbers does not always guarantee quality.

(3) Adjustment of bills. All bills are first presented to the committee for the adjustment of bills, where proposals are carefully studied and whether the bill represents the will of the whole nation or just a single race is determined.

(4) Attitude of representatives. Representatives must act as representatives, must have enthusiasm and character in discus-

sions, must not argue for the sake of argument, must not press against officials with a hostile attitude or show an attitude of bargaining which is perceptible in or almost characteristic of parliaments in democratic states.

(5) Decisions in conference. Both government officials and those present at conferences take voluntary responsibility of disposing the bills which are decided upon by unanimous vote. This right is a peculiar characteristic of the Concordia Association which is not an organization prescribed by written law. If a bill which voices the will of the people is adopted, the Government does its utmost to carry it out. On the other hand, the desires of the Government are relayed to the sub-branches by the representatives.

Relationship between the Concordia Association and the Government. The Concordia Association is made up of members who fully understand the principles underlying the foundation of the State. All government officials, military officials and the people form an ether which covers the entire state, and upon which the external organs of the state rest. Heretofore, the relationship between the Association and the Government was not correctly understood, some entertaining the belief that it is an attached organ of the Government, or an organ in opposition to the Government, but these misconceptions are due to the lack of understanding of the true nature, organization and functions of the Association. To remove such erroneous notions, the words of the declaration of the Association are borrowed and reproduced hereunder.

> The Concordia Association is not an organ of the Government, nor an organ in opposition to the Government, but a spiritual mother of the Government. The Government is an organ built upon the spirit of the State's foundation or the principles of the Concordia Association, and the officials (of the Government) are those who have fully mastered the spirit of the Association.

Thus, members of the Association who hold government posts and who consider the materialization of the spirit underlying the foundation of the State as the great mission in the state's administration put the spirit into operation and carry it out, while other members of the Association in the outlying districts strive to guide the popular masses, lead public thought, drive home culture and education, rouse the masses into co-operating with the Government in political activities, and finally, enter the very life of the people, understand their desires, and at the same time, relay the objectives of the Government to them. The Government which is an organ for carrying out administration does not place the Association in a position of opposition, nor does it mean that the Government embraces the Association through its position. The relationship between the two are well unified through their members which concurrently belong to both, enabling both to function smoothly.

The Concordia Association is not a body which strives to invest power as do the political parties in parliamentary governments, and to attack the administrative policies of the Government.

The establishment of the Concordia Association as an organ of the Government is an experiment that has no precedent in world history. Officials and people united as one, have abolished autocratic rule, and now are building a nation based on Wangtaoism and on the principle of racial harmony.

Racial Work of the Concordia Association. Any active work which has as its objective only certain specified races, is not compatible with the spirit of universal beneficence which is one of the principles underlying the foundation of the State.

The work of the Concordia Association in itself is the cultivation of racial harmony among all races in Manchoukuo, and in consequence, all races are its objective. All phases of the work of the Association are related to racial harmony in one form or the other. For the sake of brevity, only those activities that have shown outstanding results will be enumerated here.

(1) Spiritual work. Diffusion of the spirit underlying the foundation of the State, or popular creative movement. Journals, magazines, radio, motion pictures etc., are used in carrying out this work.

(2) Welfare work. Spiritual work which does not take the improvement of the actual life of the people into consideration, will not yield concrete results. Herein lies the significance of welfare work. Welfare work aims at bettering public peace and economic conditions, and anything related to the actual life of the people, and at stabilizing public sentiment. To attain this end, strong co-operation of religious bodies, charity organizations,

financing associations, agricultural associations etc., is being obtained in carrying out movements for cultivating and encouraging popular strength, mutual relief, opium prohibition, and sanitation.

(3) Cultural work. The inhabitants of Manchuria who had long been oppressed by the former warlord regime, had developed a deep fearful attitude toward officials. This prejudicial view is gradually being removed through the activities of the Concordia Association. The aims and policies of the Government are being made clear to the people, and the will and wishes of the people are being fully transmitted to the Government through the activities of the Association with the result that the unity between the two is being perfected. Organized manifestation of this work is the National Conference.

(4) Conciliation work. This work, which corresponds to that carried out by the Small Claims Court of the United States, was established for the purpose of conciliating the views of disputants arising from racial or inter-racial differences by giving due consideration to civilization, customs and manners, tradition, etc., of the various races without referring to legal interpretations. In other words, it is a method whereby disputes are settled without presenting the issue before a legal court.

(5) Young Men's training. Training of young men has perhaps produced the best results among the various work and activities of the Association. Ever since the foundation of the State, the Government has done much to improve school education but still, only 35 per cent of the total number of children of school age, are enrolled in schools. The Association has established a total of fifty training camps since 1937, for the purpose of giving training to youths of various races. A total of 30,000 individuals have already completed this training. A strong understanding and inter-racial love are developed among young men of various races gathered at the camps where they live and receive training as a single group. The youths who complete such training, return to their native towns and villages to become the backbone of their respective communities and leaders in carrying out the activities of the Concordia Association.

CHAPTER XXXI

TEXTS OF BULLETINS, LAWS, REGULATIONS, TREATIES, ETC.

Proclamation of the Establishment of Manchoukuo

March 1st, 1932
(First Year of Tatung)

The territory of Manchuria and Mongolia is a region remote and isolated on the Continent of Asia. In the records of the past, it is noted that its history is long, and often the country experienced unifications and disruptions within its borders; that the soil of the land is fertile and the people had exhibited honesty and simplicity in their manners and customs. After, however, opening the country to intercourse with outside countries the population increased in numbers and the products in volume, thus turning the country into a land of abundance and promise.

On the contrary, since the establishment of the Republic following the Revolution of 1911, the military factions of the Eastern Provinces, taking advantage of civil wars in China proper, usurped administrative power having the Three Eastern Provinces brought under their control. Twenty years will have been passed since the revolution, during which time warlords have sprung up in succession who completely disregarding the welfare of the people indulged themselves in greed, extravagance and dissipation. While they were bent upon the pursuit of self-interest and greed, the people, on the other hand, were subjected to extreme torture with burden of over-taxation at the will of the war-lords. As a result the currency system was completely ruined, and the business conditions of the country became stagnant and finally decayed.

At this critical time, again, the war-lords giving rein to sheer ambition, advanced their army south of the Great Wall, thus causing unnecessary strife and killing and wounding a large number of people. Although they met defeat many a time, never did they come to a realization of their own folly. They lost the faith and respect of the foreign powers. They engaged in wars with neighbouring countries. With utter disregard of the spirit of friendliness and cordiality of foreign countries, they encouraged anti-foreign movements.

Laxity in the police administration provoked disturbances in the looting, arson and massacre by these lawless elements drove the entire population to terror exposing them to hunger in all corners of the country. To leave these thirty million people of Manchuria and Mongolia in their hands means their exposure to atrocity and lawlessness and finally to their extinction. It is the peoples' desires to extricate themselves from this extreme danger and horror. Happily, through the aid of the army of a neighbouring country, it was made possible to expel these corrupt elements from the area where they had built a stronghold for many years past. Thus the home of misrule and corruption is now put to a thorough cleaning. This, we believe, is a Heaven-sent opportunity to the people of Manchuria and Mongolia for their resurrection. We should rise to the occasion and strive for our regeneration and rebirth with courage and determination.

In turning our eyes to China proper we have noted the rival warlords engaged in intermittent warfare ever since the revolution took place. In late years despotic rule over the country was exercised by one party alone. Under the guise of the Three Principles of the People, the people are put to death in the name of Min-shen, their leaders are bent upon seeking only their self-interest and greed in the name of Min-chuan, and further in their eyes there is nothing but their own party, although they profess the principle of Min-tsu. In this manner, though they profess that the country is ruled with fairness and equality, the practice of the party leaders is in utter contradiction to what they profess, thus not only deceiving themselves but the people at the same time.

Of late years, internal strife has become frequent, rivals aiming to partition each other's territory. It is to be noted that even the existence of the party itself is now in danger. In these circumstances, it is impossible to expect from them any consideration for the national welfare. At this time the country is overrun by Communist bands whose venomous influence is fast eating into the flesh of the people and the very heart of the national government. Facing these deplorable conditions we are compelled to look back to the days of the Ching and Min dynasties and also of the Yao and Shun, and lament the fact how distantly we have departed from the golden age in our history. The fact should be noted that this feeling of ours is equally shared by friendly nations abroad.

The result of twenty long years' experiences has convincingly taught us that we must bravely face the realities and take the task upon ourselves to reform our national life and seek the revival of the old golden age. The fact must be borne in mind, however, that evil influences are still with us, and should we evade the issue at this time and fail to check the spread of Communism, it is too obvious that the destruction of the nation is inevitable. At this critical moment, unless the people of Manchuria and Mongolia awake to a realization of the heaven-given opportune call for their liberation from the most corrupt political state their extinction will be also inevitable.

After thorough deliberations for several months passed at a number of meetings by the leaders of Feng-tien, Kirin, Heilung-kiang and Jehol Provinces, Harbin Special District and those under various banners of Mongolia, they have come to the conclusion by unanimity to adopt a practical application of good rule rather than a display of words in the administration of state affairs. Under whatever form of government, the primary duty of the state is to give assurance of peace and security to the people.

Manchuria and Mongolia had been in the past a separate state detached from China proper. By necessity of the present situation we are in a position to strive for national independence. With the will of the thirty million people, we hereby declare on this day that we sever our relations with tht Republic of China and establish the State of Manchu-Kuo, and that we hereby make a public proclamation of the fundamental principles on which this new state is established.

It is believed that statecraft is founded upon the principle of Tao, or the Way, and Tao is founded upon Tien, or Heaven. The principle on which this new state is founded is to follow Tien, or Heaven, and the people shall have peace and security. The government must conform to the will of the people and no personal views permitted to prevail in the affairs of the state.

There shall be no discrimination among those people who now reside within the territory of the new state with respect to race and creed, including the races of the Hans, Manchus, Mongols, Japanese and Koreans; nationals of other countries may upon application as permanent residents acquire equal treatment with others and their rights shall be guaranteed thereby.

The internal policies shall be to reject the policies adopted in the dark days of the past, to revise laws and enforce local autonomy, to draft able men into the service of the government and elevate officers deserving promotion, to encourage industry, unify the currency system, open up the natural resources, maintain the standard of living, adjust and regulate the administration of the police, eliminate banditry, and to further promote and popularize education, to respect Li-chiao, the teachings of Confucianism and to apply to principle of Wan-tao Chi-i and practice its teachings. Thus it is designed to give the people enlightenment who live within the state and maintain the honour of perpetuating the peace of Eastern Asia, thus setting a model example of good government to the world.

The foreign policies of the new state shall be to seek and further promote cordial relations with foreign powers, winning their faith and respect, and to strictly observe international conventions. The debt obligations accruing within the territory of Manchuria by treaty stipulations with various countries prior to the establishment of the new state shall be acknowledged according to the usual international conventions. Foreign investments by all nationalities uniformly shall be acknowledged according to the usual international conventions. Foreign investments by all nationalities uniformly shall be welcomed for the furtherance of trade and exploitation of natural resources, thus bringing the principles of the open door and equal opportunity and the like to a fuller realization.

The foregoing articles thus proclaimed are fundamental principles concerning the establishment of the new state, and the government hereby declare on oath to the thirty million people, with sincerity and faith, that these shall be fulfilled.

Note of Manchoukuo seeking Recognition by Foreign Powers—March 12, 1932

Sir:

I have the honour to inform you that the Provinces of Fengtien, Kirin, Heilungkiang and Jehol, the Tungsheng Special District and Mongolian Mengs (Leagues) under several Banners have united themselves to establish an independent government severing their relations with the Republic of China and have created "Man-Chu-Kuo" (State of Manchuria) on March 1, 1932.

It must be known to you that the old military authorities, headed by Chang Hsueh-liang, that administered the North-eastern Provinces, sought only their self-interest and failed to give adequate consideration to the welfare of the people; further, that the entire populace was subjected to extreme sufferings through outrageous exactions resulting from the corrupt discipline in official circles; and that the relations with foreign nations were greatly impaired through the enforcement of anti-foreign policies. Furthermore, in China proper there is to be found no unified and stable government, due to constant factional strife of murderous nature among various military leaders of their own race, and not a day of peace is to be seen by the people at large.

Thereupon, the people of Manchuria, at the opportune time when the old military power was overthrown, established a new State with unity of endeavour and a single purpose.

The Government of Manchuria proposes to perfect the institution of laws and to establish security for the life of the people and to exert all possible power for the promotion of their happiness and peace.

As regards the relations with foreign nations, it has been definitely decided that diplomatic intercourse shall conform to the several principles hereinafter stated:

1. That the Government shall conduct the affairs of the State according to the primary principle of faith and confidence and the spirit of harmony and friendship, and pledges itself to maintain and promote international peace.
2. That the Government shall respect international justice in accordance with international laws and conventions.
3. That the Government shall succeed to those obligations incurred by the Republic of China by virtue of treaty stipulations with foreign countries in the light of the internal laws and conventions and that these obligations shall be faithfully discharged.
4. That the Government shall not infringe upon the acquired rights of the peoples of foreign countries within the limits of the State of Manchuria, and further that their persons and properties shall be given full protection.
5. That the Government welcomes the entry of the peoples of foreign nations into, and their residence in, Manchuria and that all races shall be accorded equal and equitable treatment.
6. That trade and commerce with foreign countries shall be facilitated thus contributing to the development of world economy.
7. That with regard to the economic activities of the peoples of foreign nations within the State of Manchuria, the principle of the Open Door shall be observed.

It is the earnest desire of this Government that your Government will fully understand the purport of the establishment of the State of Manchuria hereinbefore stated and that formal diplomatic relations be established between your Government and the State of Manchuria.

With the assurances of my highest esteem and distinguished consideration.

Respectfully,

(Signature)
HSIEH CHIEH-SHIH
Minister for Foreign Affairs.

March Twelfth, First Year of Tatung.

(September 4, 1932)

Agreement Relating to the Improvement of Navigation Conditions Concluded Between the Manchoukuo Harbin Navigation Bureau and the U.S.S.R. State Amur Shipping Bureau

Unofficial Translation

The Manchoukuo Harbin Navigation Bureau and Shipping Bureau, (hereinafter called "the Two Parties") with a view to improve the conditions of navigation on those parts of the following rivers and lakes which are common to their respective borders, namely, the Argun, Amur, Ussuri and Sungari rivers and Lake Khanka, upon which joint operations mentioned in the following articles are to be conducted, have agreed upon the following articles:

Article I. The navigation of vessels of the Two Parties on the aforementioned rivers and lakes shall be conducted without obstruction according to the nautical marks to be erected within the limits of the waterways of the aforementioned rivers and lakes as a joint enterprise of the Two Parties, through the strict observance of the Navigation Rules attached to the present Agreement which have been approved of by the Two Parties.

Article II. For the purpose of ensuring the best possible conditions of navigation on the waterways mentioned in Article I, and of establishing and maintaining the necessary nautical marks, and carrying out dredging and digging operation and other works as joint enterprise of the Two Parties, the Two Parties shall organize a Joint Technical Commission of eight, composed of four representatives of each Party. One representative of each of the Two Parties shall be chairman of his side. The Regulations of the Joint Technical Commission shall be determined separately.

Article III. The Joint Technical Commission shall draw up the budget and projects necessary for its enterprises, shall supervise their execution, and shall also examine and approve of the statement of accounts.

Article IV. The Two Parties shall separately bear the expenses of their respective members of the Joint Technical Commission, as well as those of their experts who are required by the said Commission.

Article V. The Two Parties shall separately conduct and supervise the erection of nautical marks on their respective banks and shores. Dredging, digging and all other forms of operations in the waterways shall be conducted jointly by the Two Parties.

Expenses for general operations shall be borne by each Party in equal sums according to the budget approved of by the Joint Technical Commission.

Article VI. Whenever any doubt arises as to the application of the present Agreement or the Regulations of the Joint Technical Commission, the question in dispute shall be settled by a Special Committee.

The said Special Committee shall be composed of two representatives from each Party.

The decisions of the Special Committee shall be final, against which there shall be no appeal.

Article VII. In case of necessity the Two Parties shall assist in the joint operations mentioned in Article II.

Article VIII. The Two Parties shall devise necessary measures for the protection of the various facilities for navigation mentioned in Article II.

Article IX. The present Agreement shall come into force from the date of signature. After a lapse of two years, either of the Two Parties may abrogate the Agreement unilaterally at three months notice.

When such notice is given by either Party, the Two Parties shall immediately call a conference in order to conclude a new Agreement.

Article X. The present Agreement shall be made in dupilcate in the Manchurian and Russian languages and the Two Parties shall affix thereto their signatures and seals. Each Party shall keep one copy written in each language.

Done at Heiho, Manchoutikuo, this Fourth Day of September of the First Year of Kangtê of the Manchoukuo Empire, which is the Fourth Day of September, One Thousand Nine Hundred and Thirty-four.

(Signed and Sealed)

For the Manchoukuo Harbin Navigation Bureau
  Kuei Hêng-chi, Manchoukuo Consul at Blagoveschensk
  Yoichi Shimasaki, Chief, Third Section, Navigation Bureau, Dept. of Communications
  Takejiro Horiuchi, Chief, General Affairs Section, Harbin Navigation Bureau
  Kiyoshi Yoshizu, Manchoukuo Vice-consul at Blagoveschensk
For the U.S.S.R. State Amur Shipping Bureau
  A. Y. Metelitza, Chief, the State Amur Shipping Bureau
  S. E. Bochek, Chief, Scientific Division, Amur Shipping Bureau
  M. P. Zorin, Chief, Works Division and Connections Division, Amur Shipping Bureau

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Japan-Manchoukuo Protocol

(September 9, 1932)

"Whereas Japan has recognized the fact that Manchoukuo, in accordance with the free will of its inhabitants, has organized and established itself as an independent State; and

"Whereas Manchoukuo has declared its intention of abiding by all international engagements entered into by China, in so far as they are applicable to Manchoukuo;

"Now the Governments of Japan and Manchoukuo have, for the purpose of establishing a perpetual relationship of good neighbourhood between Japan and Manchoukuo, each respecting the territorial rights of the other, and also in order to secure the peace of Far East, agreed as follows:—

"1. Manchoukuo shall confirm and respect, in so far as no agreement to the contrary shall be made between Japan and Manchoukuo in the future, all rights and interests possessed by Japan or her subjects within the territory of Manchoukuo by virtue of Sino-Japanese treaties, agreements or other arrangements or of Sino-Japanese contracts, private as well as public;

"2. Japan and Manchoukuo, recognizing that any threat to the territory or to the peace and order of either of the High Contracting Parties constitutes at the same time a threat to the safety and existence of the other, agree to cooperate in the maintenance of their national security; it being understood that such Japanese forces as may be necessary for this purpose shall be stationed in Manchoukuo.

"The present Protocol shall come into effect from the date of its signature.

"The present Protocol has been drawn up in Japanese and Chinese, two identical copies being made in each language. Should any difference arise in regard to interpretation between the Japanese and the Chinese texts, Japanese shall prevail.

"In witness whereof the undersigned, duly authorized by their respective Governments, have signed the present Protocol and have affixed their seals thereto.

"Done at Hsinking, this fifteenth day of the Ninth month of the Seventh year of Showa, corresponding to the fifteenth day of the Ninth month of the First year of Tatung.

(L.S.) NOBUYOSHI MUTO
Ambassador Extraordinary and
Plenipotentiary of His Majesty
the Emperor of Japan.

(L.S.) CHENG HSIAO-HSU
Prime Minister of Manchoukuo."

The Opium Law
Promulgated November 30, First Year of Tatung (1932)

TRANSLATION

Article I. The term "opium" as used in the present Law shall include raw opium, prepared opium and opium for medical use.

Article II. No person shall be allowed to smoke opium. Special permission, however, may be given to persons of majority who have acquired the habit of opium-smoking who require the same for bodily treatment.

Article III. The official sale of opium and the manufacture of prepared opium and opium for medical use shall be executed by the Government. The manufacture of prepared opium under conditions stipulated in items (2) and (3) of Article V, however, may be expected.

Article IV. Opium or instruments for opium-smoking shall be prohibited from importation except when falling within the purview of any one of the following conditions:

1. Importation or exportation of opium by the Government;
2. Exportation of opium for medical use by agents who are appointed in accordance with the provisions or orders concerned;
3. Importation of instruments for opium-smoking by wholesale agents as provided for by orders concerned;

Article V. The manufacture, sale or purchase, transfer, ownership or possession of opium or instruments for opium-smoking shall be prohibited except when stipulated by order and coming within the purview of any one of the following:

1. When an opium wholesale agent manufactures instruments for opium-smoking, or buys and sells, transfers, owns, or possesses raw opium, prepared opium, or instruments for opium-smoking;
2. When an opium retail agent manufactures prepared opium, or buys and sells, transfers, owns or possesses raw opium, prepared opium, and instruments for opium-smoking;
3. When an opium smoker mentioned in the proviso of Article II manufactures prepared opium or obtains by transfer, owns or possesses raw opium, prepared opium, or instruments for opium-smoking;
4. When a person who has been permitted to cultivate poppy manufactures, transfers, owns, or possesses raw opium;
6. When a pharmaceutist obtains by transfer or owns or possesses opium for medical use;
7. When a physician (or surgeon), dentist, veterinarian, pharmacist, apothecary or agent dealing in opium for medical use buys and sells, transfers, owns or possesses opium for medical use;
8. When a person obtains by transfer, owns or possesses opium for medical use with a written prescription obtained from a physician (or surgeon), dentist, or veterinarian;
9. When an inheritor or receiver of property transfer or possesses opium or instruments for opium-smoking as a result of the inability of the original person permitted to own or posses

opium or the instruments for opium-smoking by virtue of any of the foregoing provisions.

Article VI. Opium wholesale agents or opium retail dealers shall not sell or transfer prepared opium bought from the Monopoly Bureau after working up or adding other mixtures to the same.

Article VII. No person shall be allowed to maintain opium smoking dens or provide facilities for the smoking of opium for others with the object of making profit. Licenced opium retail dealers, however, may be permitted to do so when Government approval is secured.

Article VIII. No cultivation of poppy intended for the manufacturing of opium or its substitute shall be allowed without the approval of the Government.

Article IX. The sale or purchase and the transfer of poppy seeds intended for the object mentioned in the previous article shall be forbidden; the sale and transfer of the same to those cultivating poppy with Government approval, however, shall be excepted.

Article X. Any one cultivating poppy with Government approval shall deliver the raw opium produced to the Government; for the time being, however, such raw opium may be sold to opium purchasing agents designated by the Government.

The said opium purchasing agents shall deliver the raw opium so purchased to the Government.

Article XI. In order to correct the habit of opium-smoking, the Minister of Civil Affairs shall adopt necessary measure for the opium-smokers.

The expenditures required for the aforementioned measures shall be determined by the Minister of Civil Affairs.

Article XII. In case it shall deem necessary, the Government may order the persons mentioned in the different items listed in Article V to submit reports.

Article XIII. In case it shall deem necessary, the Government may cause its proper officials concerned to enter the factories, shops, or other premises belonging to persons mentioned in the different items listed in Article V, and to inspect their raw materials, products, machines, books, documents or other articles or to adopt any measure necessary for the control of opium.

Article XIV. Persons coming within the purview of either of the following shall be punished by penal servitude not exceeding five years, or a fine not exceeding five thousand yuan, or both:

1. Persons who have violated the provisions of Article IV or V with the object of selling opium;

2. Persons who have violated the provisions of Article VII or VIII.

Article XV. Persons coming within the purview of any of the following shall be punished by penal servitude not exceeding one year or a fine not exceeding one thousand yuan:

1. Those who have violated the provisions of Article II;
2. Those who have violated the stipulations of Article IV or V pertaining to instruments for opium-smoking, done with the object of selling the same;
3. Those who have violated the provisions of Article VI or IX.

The Court may hand down a suspended sentence in case a minor violates the stipulation of item (1) of the present Article after taking into account the circumstances pertaining thereto, and apply the disposition mentioned in Article XI.

Article XVI. Attempted acts of crimes described in the two preceding Articles (Articles XIV or XV) shall be punishable.

Article XVII. Persons coming within the purview of either of the following be punished by confinement or a fine not exceeding two hundred yuan:

1. Opium-smokers described in the provision of Article II smoking opium other than that obtained through Government sale;
2. Persons who have violated the provisions of Articles IV or V, without the object of selling.

Article XVIII. Persons coming within the purview of either of the following shall be punished by confinement not exceeding one month or a fine not exceeding one hundred yuan:

1. Persons disobeying the disposition provided for in Article XI;
2. Persons neglecting without adequate reasons to submit reports provided for in Article XII or submitting false reports;
3. Persons refusing, hindering or evading the official inspection provided for in Article XIII, or those refusing to reply to questions put to them or making false replies during the said inspection or disobeying the disposition by the proper authorities concerned.

Article XIX. In case a person violates the provisions of the present Law, the opium, poppy, or instruments for opium-smoking concerned shall be confiscated without regard to their ownership.

In case the said opium, poppy or instruments cannot be confiscated, a sum equivalent to the value of the same shall be collected.

Article XX. In case the representatives, the head or members of the family or the employees of the persons who are importing or exporting opium for medical use or instruments for opium-smoking described in items (2) or (3) of Article IV, or of persons mentioned in items (1), (2), or (4) or (7) of Article V, violate the provisions of the present Law or order issues based upon the present Law, the persons so mentioned in the aforesaid Articles shall not evade punishments thereof on the ground that such violations had been committed without their direction.

Article XX. In case the representatives of a juridical person, or its employees, or persons engaged in its service is found to have violated the provisions of the present Law, the representatives of such juridical person shall be punished.

Article XXII. The date of the enforcement of the present Law shall be decided by Ordinance.

Agreement Concerning the Establishment of Manchuria Telegraph and Telephone Company

(Mar. 26, 1933)

The Governments of Manchoukuo and Japan; Desirous of consolidating and of operating the equipments for electric communication belonging to the two Governments in the Kwantung Leased Territory, in the South Manchuria Railway Zone and in the areas under the administrative jurisdiction of Manchoukuo; and recognizing the need of establishing for that purpose a joint-stock company as a Manchoukuo-Japanese undertaking.

Have therefore agreed upon the following Articles:

Article 1. The Governments of Manchoukuo and Japan shall, in collaboration, cause a joint-stock company to be established as a Manchoukuo-Japanese joint undertaking and shall cause it to conduct enterprises concerning electric ocmmunication both by wire and wireless in the Kwantung Leased Territory, in the South Manchuria Railway Zone and in the areas under the administrative jurisdiction of Manchoukuo.

The enterprises concerning electric communication mentioned in the preceding Paragraph shall not include any which are accessory to railway and aviation enterprises nor any which are exclusively for the use of Government offices or for police and military purposes.

Article 2. The capital of the Company shall be ¥50,000,000 in Japanese currency; provided, however, that the same may either be increased or decreased with the approval of the Governments of Manchoukuo and Japan.

Article 3. The shares of the Company shall take the form of inscribed shares and shall be held only by the Governments of Manchoukuo and Japan, by local governmental bodies in those countries, by their nationals or by juridical persons formed under the laws, ordinances and regulations of their country and in which the majority of votes are held by their nationals or by their juridical persons.

Article 4. The Governments of Manchoukuo and Japan shall respectively contribute as capital such equipments for electric communications as at present belong to them in the Kwantung Leased Territory, in the South Manchuria Railway Zone and in the area under the administrative jurisdiction of Manchoukuo.

The equipments for electric communication mentioned in the preceding Paragraph shall not include any which are accessory to railway and aviation enterprises nor any which are exclusively for the use of Government office or for police and military purposes.

Nationals or juridical persons of Manchoukuo may contribute as capital such equipments for electric communications as belong to them.

Fully paid-up shares shall be allotted in respect of the contributions defined in the present Article.

The value of the contributions in kind defined in the present Article shall be assessed by equitable methods on the basis of the actual value of the equipments so contributed.

Article 5. The Directors and Auditors of the Company shall be either of Manchoukuo or Japanese nationality.

The total prescribed number of the Directors and Auditors of the Company shall be divided among nationals of each country in proportion to the total number of shares held in aggregate by the Government, national and juridical persons of their respective countries; provided, however, that the number of Directors and Auditors who are of the nationality of one country shall not be less than one-third of the number of those who are of the nationality of the other country.

Article 6. The dividend of profits of the Company shall not exceed a certain equitable rate.

Dividends or profit on the shares other than those held by the two Government may, until they reach a certain rate, be distributed in preference to those held by the latter.

Article 7. In the case of the shares allotted, in accordance with the provisions of Article 4 hereof, to the Government, nationals or juridical persons of Manchoukuo, dividends of profits may be paid in Manchoukuo currency on the basis of the rate of exchange prevailing at the time of the contribution of capital; and in the case of the shares held, at the time of the first payment on such shares, by nationals or juridical persons of Manchoukuo, on the basis of the rate of exchange prevailing at the time of each payment on such shares.

Article 8. The property, income and business of the Company and every kind of registration effected by it as well as the articles necessary for its undertaking shall be exempt from taxes and from all other public charges in the Kwantung Leased Terrtiory, in the South Manchuria Railway Zone and in the areas under the administrative jurisdiction of Manchoukuo.

Article 9. The Company shall enjoy the same privileges as have hitherto been granted to Government undertakings in respect of the expropriation of lands, this laying of electric wires, the utilization of means of transport, the collection of fees and charges and all other matters necessary for the conduct of its undertaking.

Article 10. The articles forming part of the Company's equipment for electric communication or of the installations accessory to such equipment shall not be made the object of hypothec attachment, provisional attachment or provisional disposition.

Article 11. The Governments of Manchoukuo and Japan shall superintend the undertaking of the Company.

The Governments of Manchoukuo and Japan may, in respect of the Company, issue such directions as may be necessary for the purpose of superintendence.

In cases where a resolution of the Company or the action of any of its officials is in contravention of the present Agreement, the laws, ordinances and regulations of the two countries or the Company's articles of association, or is injurious to the public welfare, as well as in cases where it is in contravention to the directions of the superintendent authorities, the Governments of Manchoukuo and Japan may cancel such resolution or remove such official from his office as the case may be.

Article 12. The Company shall obtain the approval of the Governments of Manchoukuo and Japan for every alteration of its articles of association, every appointment or removal of its Directors or Auditors, every issue of debentures, every fixation and alteration of its fees and charges, every disposal of its profits, every resolution for the purpose of amalgamation or dissolution, every program of enterprises for each business year, every conclusion of business agreements concerning electric communication and every transfer of articles belonging to its equipments for electric communication or to the installations accessory to such equipment.

Article 13. The military authorities of Manchoukuo and Japan may, with reference to the enterprises of the Company, issue such directions as may be necessary for military purposes; and may, with reference to the equipment of the Company, take such measures as may be necessary for military purposes.

They shall make compensation for any loss that may be incurred by the Company in consequence of the said directions or measures.

Article 14. The Governments of Manchoukuo and Japan may direct the Company to offer its equipment to be used for such communication as may be necessary for railway, aviation, police, military and other purposes.

Article 15. The Company may, when necessary for the conduct of its enterprises, apply to the superintendent authorities of the country concerned for sanction to use for its own purpose any equipment for electric communication accessory to railway and aviation enterprises or such as are used exclusively for police and military purposes.

Article 16. The Government of Manchoukuo and Japan may, in case they consider that the Company is likely to go into liquidation, purchase at a reasonable price the equipment for electric communication belonging to the Company and the installations accessory to such equipment.

Article 17. The Company shall, in addition to the provisions of the present Agreement, be subject to further agreement to be entered into by the Governments of Manchoukuo and Japan.

Article 18. The company shall, with regard to matters concerning international electric Communication, conform to the provisions of treaties and other international agreements.

Article 19. The Governments of Manchoukuo and Japan shall respectively appoint 15 members of an Organizing Committee and shall cause them to conduct, under the supervision of the two Governments, all affairs concerning the establishment of the Company.

Article 20. The Organizing Committee shall draw up the articles of association of the Company and, after obtaining the approval of the Governments of Manchoukuo and Japan thereto, shall offer shares for subscription.

Article 21. The Organizing Committee shall, upon the completion of subscription to shares, apply to the Governments of Manchoukuo and Japan for their sanction to establish the Company, submitting to them the letters of application for subscription.

The Organizing Committee shall, on obtaining the sanction mentioned in the preceding Paragraph, forthwith call for the first payment on each share, and shall on the completion of such payment, forthwith convene an inaugural General Meeting of the shareholders.

Article 22. The Organizing Committee shall, on the termination of the inaugural General Meeting of the shareholders, hand over the affairs in their charge to the Company.

Article 23. The present Agreement shall be ratified by Manchoukuo and Japan in conformity with their respective formal modes of procedure and the instrument of ratification shall be exchanged at Hsinking as soon as possible.

The present Agreement shall come into force from the date of the exchange of the instruments of ratification.

The present Agreement has been drawn up in Chinese and Japanese, two identical copies being made in each language.

Should any difference arise in regard to interpretation between the Chinese and Japanese texts, the Japanese text shall prevail.

In witness whereof the undersigned, duly authorized by their respective Governments, have signed the present Agreement and have affixed their seals thereto.

Done at Hsinking this 26th day of the 3rd month of the 2nd year of Tatung, corresponding to the 26th day of the 3rd month of the 8th year of Showa. (March 26, 1933).

(L.S.) HSIEH CHIEH-SHIH,
Minister for Foreign Affairs of Manchoukuo.
(L.S.) NOBUYOSHI MUTO,
Ambassador Extraordinary and Plenipotentiary,

Regulation Governing the Import and (or) Export of Arms and Ammunition by Foreigners

May 30, 1933

The Department of Civil Affairs has issued a new Regulation, effective immediately, regarding the importation and/or exportation of arms and ammunitions by foreigners, the substance of which is as follows:

"Huchao" Regulation Governing Import and/or Export of Arms and Ammunition by Foreigners

I. In case a foreigner desires to have a "huchao" duly issued for import and/or export of arms and ammunition, he is required to send in an application in accordance with the official form attached herewith through the provincial or local authorities to the Minister of Civil Affairs together with a permit duly issued by the Consul concerned locally stationed, which should correspond to the original, if in duplicate.

On the part of provincial or local authorities, they are directed to enquire into the personality and career of the applicant and send reports of their investigations together with their opinions or suggestions, if any, to the Department of Civil Affairs for the latter's approval.

It should be noted in this connection that if the cargo is for industrial or commercial purposes, the consignee's address and occupation should also be made clear.

II. The "huchao" shall be issued by the Minister of Civil Affairs through provincial or local authorities to the applicant.

III. The Minister of Civil Affairs is requested to inform the matter to the Minister of Finance, when the "huchao" is issued to the applicant.

IV. The "huchao" should be returned to the Minister of Civil Affairs through the provincial or local authorities, when the applicant has completed his transactions.

V. The "huchao" fee shall be collected in accordance with the former rates and sent to the National Treasury.

V. The provincial or local authorities mentioned in the present Regulation shall be in the case of the Metropolitan Police Office, Hsinking, the Superintendent of the said Office, and in the case of the Police Bureau, Harbin, the Chief of the said Bureau.

Application Form

The Application Form for the issue of "huchao" for the import and/or export of arms and ammunition which is in the Chinese language shall contain inter alio the following and shall be addressed to the Minister of Civil Affairs:

Nationality and Native Place:
Present Address:
Occupation:
Full Name of Applicant:
When Born:

Classification of Cargo: In case of revolver and arms and ammunition, mention the form or style of the same and whether they are used for industrial or commercial purposes.

Quantity: Number and Weight.
Use: For wholesale or imported or exported for industrial or commercial purposes, and if for industrial or commercial purposes, what sort of industry?

Hong Name: Hong name and address of consignee.

Dates: Dates when import or export started and when import or export completed.

In accordance with the "Huchao" Application Form, we beg to request you that you would kindly issue us a "huchao" for the above, enclosing herewith a permit issued by —— Consul of —— at ——.

Communication to Foreign Countries Regarding the Enforcement of New Regulation Governing Passport Visé

(June 1, 1933)

In view of the fact that under the old regime in Manchuria, passport visé was variously enforced locally without any uniformity, and is consequently inapplicable in many respects to the present situation caused by the establishment of the new State. The Government of Manchoukuo has recently drawn up a regulation governing passport-visé in pursuance to its past declaration that the people in Manchoukuo shall receive equal treatment regardless of their nationalities, and that the principle of the Open Door shall be realized by granting full opportunity to the economic activities of foreign residents in this country. The new regulation shall be put into practice in all parts of Manchoukuo on and after the First day of June, Second Year of Tatung, (1933).

The following table shows the main differences which exist between the old regulation enforced under the Chinese administration and the new regulation.

Main Items	Old Regulation	New Regulation
(1) Visé on a passport for entry	Granted at a diplomatic or consular office abroad.	To be granted at a diplomatic or consular office abroad. Pending completion of such establishments, Visé Agencies shall be opened provisionally at the borders of Manchoukuo.
(2) Visé on a passport for transit	Non-existent. Visé on passport for entry uniformly applied.	This regulation has been newly provided for the convenience of travellers in transit at the cheaper fee of M¥2.
(3) Certificate of Preconsent to a visé	Non-existent.	This has been newly provided to ensure a prompt and simple visé and for the convenience of travellers at their discretion.
(4) Visé fees for entering Manchoukuo	Collected according to the principle of reciprocity, to wit: (Fees vary according to exchange rates.) For British subject: about Fourteen (14) Yuan For American: about Fifty-one (51) Yuan For Frenchman: about Ten (10) Yuan	Ten (10) Manchoukuo Yuan shall be charged uniformly from every nationality.
(5) Visé fees for leaving the national border In North Manchuria	1. In the case of a national of a treaty-power For one way within a province: One (1) Yuan For a return trip within the province: Two (2) Yuan For one way outside a province: Two (2) Yuan For return trip outside the province: Four (4) Yuan When leaving Manchuria: Four (4) Yuan	Abolished.
	2. In the case of a national of a non-treaty power or person without nationality For one way to the interior: Nine (9) Yuan For a return trip to and from the in-	Abolished.

Main Items	Old Regulation	New Regulation
	terior: Seventeen (17) Yuan When leaving Manchuria: Eight (8) Yuan	
In South Manchuria	1. In the case of a national of a treaty-power For one way to the interior: Two (2) Yuan For a return trip to and from the interior: Four (4) Yuan For one way out of Manchuria: Four (4) Yuan For a return trip out of Manchuria: Eight (8) Yuan	**Abolished.**
	In the case of a national of a non-treaty power or person without nationality (The collection of fees suspended temporarily since the Incident of September 18, 1931.) For one way to the interior: Two (2) Yuan For a return trip to and from the interior: Four (4) Yuan For one way out of Manchuria: Four (4) Yuan For a return trip of Manchuria: Eight (8) Yuan	**Abolished.**
	Note: In all the above cases a certain period is designated for the validity of a visé, so even when a fee is charged for a visé in North Manchuria, it was collected again in South Manchuria in case certain restrictions were exceeded or at the expiration of the designated period of the visé.	
(6) Example: In case a British subject enters Manchuria through Manchouli and stays in Harbin, then goes to Mukden to live there, and then departs from Mukden for foreign country	Visé fees for entering Manchuria In London: Fourteen (14) Yuan For one way from Harbin to Mukden: One (1) Yuan For leaving the Country from Mukden: Four (4) Yuan The total fee for three visés: Nineteen (19) Yuan	Visé fees for entering Manchoukuo. At the border of Manchoukuo: Ten (10) Manchoukuo Yuan For a traveller passing through the country within 20 days: Two (2) Manchoukuo Yuan Thus, only one visé is needed for entry in Manchoukuo.

The Currency Law

Ordinance No. 25

Promulgated June 11, First year of Tatung (1933)

Article I.—The right of minting and issuing currency shall belong to the Government and, the Central Bank of Manchou shall execute the same for the Government.

Article II.—Twenty-three point ninety-one (23.91) grammes of pure silver in weight shall be the unit of monetary value to be called a "Yuan."

Article III.—The computation of the currency shall be according to the decimal system; one-tenth of a "Yuan" shall be designated "Chiao", one-hundredth of a "Yuan" "Fen", and one-thousandth of a "Yuan" "Li."

Article IV.—The currency shall consist of the following nine denominations:

Paper money:—
One Hundred (100) Yuan, Ten (10) Yuan, Five (5) Yuan, One (1) Yuan, Five (5) Chiao;

Nickel coins:—
One (1) Chiao, Five (5) Fen;
Copper coins:—
One (1) Fen, Five (5) Li.

Article V.—The paper money shall be Legal Tender for any amount. The coins shall be Legal Tender up to the sum equivalent to one hundred (100) times the face value.

Article VI.—The fineness and weights of the coins shall be as follows:—

(1) Nickel coins of One Chiao—
3 grammes in weight (Nickel, 25%; Copper, 75%)
(2) Nickel coins of Five Fen—
2 grammes in weight (Nickel, 25%; Copper, 75%)
(3) Copper coins of One Fen—
3.5 grammes in Weight (Copper, 95%; Tin, 4%; Zinc, 1%)
(4) Copper coins of Five Li—
2.5 grammes in weight (Copper, 95%; Tin, 4%; Zinc, 1%)

Article VII.—Matters relating to the designs, minting, and issuing of currency, as well as those concerning the exchange of damaged currency and destruction of currency shall be made public by Ordinance.

Article VIII.—Coins or notes which are exceedingly soiled, defaced, or damaged shall be exchanged at their face value by the Central Bank of Manchou without any charge of fees.

Article IX.—Any coin whose design cannot be recognized, or which bears privately stamped marks or which is found to be otherwise intentionally damaged shall possess no validity as money.

Article X.—The Central Bank of Manchou shall possess as reserve sum equivalent to thirty (30) per cent or more of the total amount of notes issued in gold and silver bullions, reliable foreign currencies and deposits with foreign banks in gold and silver accounts.

Article XI.—The Bank's reserve for the balances after deducting the aforementioned reserve from the total note issue shall be possessed in bonds, notes issued or certified by the Government, or gilt-edged securities or commercial papers.

Article XII.—The Central Bank of Manchou shall prepare and submit reports to the Government on daily statements regarding the increase and decrease of the amount of notes and coins issued and of the reserve, and a weekly average balance-sheet of notes and coins issued and of the reserve. The weekly average balance-sheet shall be made public.

Article XIII.—The Government shall cause the Supervisor of the Central Bank of Manchou to superintend especially the minting and issuing of currency. The Supervisor may examine at any time the amount of currency issued and un-issued and also the Bank's books.

Article XIV.—Coins and notes hitherto in circulation shall be regulated by the provisions contained in the Regulation governing the Adjustment of the Old Currency.

The present Law shall come into force on the day of its promulgation.

The Regulation Governing the Adjustment of the Old Currency.

Supplementary

Ordinance No. 38

Article I.—Coins and notes which have hitherto been in circulation shall from now on be prohibited from further circulation with the exception of those which shall be designated by the present Regulation.

Promulgated June 27, First Year of Tatung (1933)

Article II.—With the enforcement of the present Regulation, the notes listed hereunder, which have been in circulation heretofore, shall be treated equally with the notes to be issued anew, at fixed exchange rates, for the period of two years only but shall be considered invalid after the expiration of the period herein designated.

1. Convertible notes issued by the Bank of the Three Eastern Provinces (exclusive of the Tientsin notes).
2. Convertible notes issued by the Frontier Bank (Tientsin notes excluded).)
3. Convertible notes issued by the Four Joint Reserve Banking Corporation of Liaoning.

Regulation Governing the Entry of Foreigners Into Manchoukuo

(June 17, 1933)

Translation

Article I. The competent authorities mentioned separately hereinafter may forbid the entry of a foreigner seeking admission into

Manchoukuo who comes within the purview of any one of the undermentioned groups.

A foreigner, however, for whose entry into this country a passport visé is not required according to the treaty provisoins or customary practices hitherto in force, shall not be forbidden entry on account of his not possessing a passport or certificate of nationality.

1. A person who does not possess any passport or certificate of nationality;
2. A person who, it is feared, will prejudice the interests of this country, disturb public peace, or corrupt good morals;
3. A person who is afflicted with any disease dangerous to public health;
4. A person who requires public or private support.

The passport or certificate of nationality mentioned in group 1 of the foregoing must bear attached thereto a photograph of the holder of such document, while the passport must bear a visé duly granted by the authorities concerned of this country.

Article II. The competent authorities mentioned in paragraph 1 of the preceding Article may demand of the foreigner seeking admission into this country the presentation of one hundred (100) Yuan or more.

Article III. A foreigner seeking admission into this country shall produce, when requested by the Manchoukuo police, his passport or certificate of nationality, and shall make *bona fide* statements to inquiries made for the investigation of matters pertaining to any one of the groups mentioned in paragraph 1 of Article I, or any other related matters.

Article IV. In case a foreigner refuses to comply with the request of, or make *bona fide* statements to the inquiries made by, the Manchoukuo police officers as stipulated in the preceding Article, the said officers may forbid the entry of such foreigner into Manchoukuo, or may order his departure from this country.

Article V. In case a justifiable reason shall be deemed to exist, the provision of Article I, paragraph 1, group 1, may not be applied to a foreigner who is en route to Manchoukuo on the day the present Regulation shall come into force.

Article VI. The present Regulation shall take effect as from the 17th day of June, Second Year of Tatung (1933).

DEPARTMENTAL ORDER No. 8

The Department of Civil Affairs

The competent authorities mentioned in Article I of the Departmental Order No. 7, "Regulation Governing the Entry of Foreigners into Manchoukuo", issued by the Department of Civil Affairs shall be as follows:

1. Governors of the Provinces (Fengtien, Kirin, Heilungkiang, and Jehol Provinces), Governor of the Tungsheng Special Area;
2. Chief of the Metropolitan Police Board, Chief of the Harbin Police Board;
3. Chiefs of the Frontier Police Garrisons (Antung, Shanhaikuan, Manchouli, Suifenho, Wafangtien),
   Chief of the Yingkow Marine Police Corps.

Payment of Foreign and Other Claims Effected by Manchoukuo Liquidation Commission

(July 17, 1933)

In pursuance of the general policy regarding the Liquidation of foreign and other claims, the Commission for the Liquidation of Claims, after deliberate considerations with official representatives of foreign claimants, including Mr. A. G. Major, British Consul-General, Mr. A. S. Chase, American Consul, Mr. A. L. Tigges, German Consul General and Mr. T. Hachiya, Japanese Consul-General, at Mukden and Mr. A. Jorgensen, Danish Consul, at Harbin, effected to date payment amounting to M¥2,417,125.47 in cash to the creditors interested for the claims whose contracts were concluded since 1930 and wherein goods were duly delivered. The amount shared respectively by each creditor nation is as follows:

Creditors	Amount Paid
Japan	M¥ 889,114.74
Great Britain	188,937.32
Germany	305,154.82
U. S. A.	28,457.26
Manchoukuo and China	1,002,890.12
Denmark	2,091.56
Others	479.65
Total	M¥ 2,417,125.47

The claims for the contracts agreed upon prior to and including 1929, as well as those whose goods were not delivered, totalling some M¥4,000,000 are expected to be adjusted during August this year with 3%-bonds redeemable in twenty years, whose total face value will be equivalent to the sum to be paid.

Air Mail Regulation

(October 26, 1933)

Article I. Ordinary mail or parcels may be delivered by the Air

Mail Service in accordance with the stipulations provided herein.

Article II. The routes for the Air Mail Service shall be announced by separate notification.

Article III. In addition to the ordinary postage stamps required, all mail matters for air delivery shall pay special air mail postage according to rate listed in the accompanying table (All in Manchoukuo yuan):

Article IV. All matters for air delivery shall be marked "Air Mail" on the cover or envelope.

Article V. All mail matters for air delivery shall be taken to the Post Office, but ordinary unregistered matters may be posted into post-boxes.

Article VI. In case both the ordinary postage and the special air mail postage on mail matters for air delivery which are received in the post-boxes are underpaid, the Post Office may deliver them through ordinary Postal Service by cancelling the words "Air Mail" marked on the cover. But such mail matters bearing stamps sufficient to cover the special rate required shall be delivered by Air Service, and the amount of ordinary postage underpaid shall be charged "double shortage" upon delivery.

Article VII. In case the delivery by air route is likely to be delayed owing to special circumstances, air mail matters may be despatched through ordinary postal service.

Article VIII. Undelivered air mail matters shall be returned or redelivered from the destination Post Office through ordinary postal service.

Article IX. The sender may ask for the return of special air mail postage paid under either of the following conditions;

1. In case the air mail is delivered later than ordinary mail due to some fault on the part of the Post Office;
2. When mail for air delivery has been despatched through ordinary service.

The present Regulation shall come into force on the third day of November, First Year of Tatung.

Parcels post for air service within the territory of Manchoukuo and Kwantung Leased Territory shall not be accepted until further notice.

Organization of the Monopoly Bureau

Promulgated Nov. 3, First Year of Tatung (1933)

Translation

Article I. The Monopoly Bureau shall came under the jurisdiction of the Minister of Finance and shall take charge of matters pertaining to the monopoly of opium.

Article II. The Monopoly Bureau shall have its office in Hsinking.

Article III. The personnel of the Monopoly Bureau shall consist of the following:—

One Director (Grade of Selected Appointment).

One Assistant Director (Grade of Selected or Recommended Appointment).

Eleven Secretaries (Grade of Recommended Appointment).

Two Technical Experts (Grade of Recommended Appointment; one may be of the Grade of Selected Appointment).

Forty-seven Subordinate Official (Grade of Delegated Appointment).

Nine Assistant Experts (Grade of Delegated Appointment).

Article IV. The Director shall superintend the affairs of the Bureau under the direction and supervision of the Minister of Finance.

Article V. The Director shall direct and supervise the officials of the Bureau. As to the appointment, reward and punishment of officials belonging to the Grade of Delegated Appointment and above, he shall submit the matter to the Minister of Finance.

Article VI. The Assistant Director shall assist the Director and shall act in his stead when he is unable to discharge his duties.

Article VII. The Secretaries shall take charge of office business by order of their superior officials.

Article VIII. The Technical Experts shall have charge of technical matters by order of their superior officials.

Article IX. The Subordinate Officials shall attend to the general office duties by order of their superior officials.

Article X. The Assistant-Experts shall engage in technical duties under the direction of their superior officials.

Article XI. The Minister of Finance may establish branch Bureaux or Agencies in such localities as he shall deem necessary in order to facilitate the division of office duties of the monopoly business.

Each branch Bureau and Agency shall have its director the position of which shall be occupied by a Secretary or a Subordinate Official.

The director of a Branch Bureau shall conduct the affairs of his Bureau by order of his superior officials.

Agency by order of his superior officials.

Article XII. The regulations governing the sub-divisions of the Monopoly Bureau shall be determined by the Minister of Finance.

Article XIII. The present Ordinance shall take effect from the date of its promulgation.

BANKING LAW OF MANCHOUKUO

Promulgated Nov. 9, Second Year of Tatung (1933)

Translation

Article I.—Any person or persons or concern engaged in any of the business transactions or activities coming within the purview of any of the following, irrespective of the trade name, shall be regarded as a bank:

1. When the receiving of deposits is combined with the making of loan or the discounting of bills of exchange;
2. Buying and selling drafts.

Any person or persons or concern engaged in receiving deposits as its business shall be regarded as a bank, except as otherwise provided for by the Minister of Finance.

Article II.—No person or persons or concern shall be allowed to carry on banking business, unless permission is obtained from the Minister of Finance for such business.

Article III.—A bank shall not be allowed to carry on business transactions or activities other than the business collateral with banking, unless a sanction is obtained from the Minister for Finance for such transactions or activities.

Article IV.—A bank shall be required to obtain the sanction of the Minister of Finance for any of the following cases:

1. In case a bank desires to change its trade name;
2. In case a bank desires to change the amount of capital;
3. In case a juridical person desires to change its organization;
4. In case a bank desires to establish or close its branch office, business office or agency;
5. In case a bank desires to change the seat of its principal or head office, branch office, business office or agency;
6. In case a bank desires to promote its business office or agency to the status of a branch office;

7. In case a bank desires to transfer its business to others or discontinue the same or in case a juridical person desires to dissolve itself;
8. In case a bank desires to merge itself with any other bank;
9. In case a banking corporation desires to appoint or change its staff employees and supervisors who execute its banking business.

Article V.—A bank having the status of a joint-stock company shall be required to set aside reserve every business year a sum equivalent to more than one-tenth of its net profit for the said period until the authorized capital is fully paid up.

Article VI.—A business year of a bank shall not exceed one year.

Article VII.—A bank shall be required to make public a balance sheet and submit a business report to the Minister of Finance every business year.

Article VIII.—The business hours of a bank shall be from 9 a.m. to 3 p.m. The hours may, however, be extended when business transactions so require or they may be shortened when a sanction is obtained from the Minister of Finance.

Article IX.—The holidays of a bank shall be limited to the red-letter days, Sundays and other holidays generally observed at the particular locality or place.

When, however, a bank temporarily closes its business because of natural calamity or other unavoidable incidents, it shall be required to make public to that effect without delay and notify the same to the Minister of Finance.

Article X.—When a bank suspends the refunding or payment of deposits, it shall be required to make public to that effect without delay and notify the same to the Minister of Finance with due reasons therefor.

Article XI.—The Minister of Finance may at any time cause a bank to make a report on its business or to submit ledger book and other documents to him.

Article XII.—The Minister of Finance may at any time order officials in the service of his Ministry (Department) to inspect the business and financial conditions of a bank.

Article XIII.—The Minister of Finance, when he deems it necessary in view of the business or financial conditions of a bank, may order the bank to suspend its business totally or partially or may take other necessary measures.

Article XIV.—In case a bank carries on any transaction or activities in contravention of the laws and regulations of the country, articles of association of the bank or orders of the Minister of Finance or acts in any way prejudicial to public interests, the Minister of Finance may suspend its business totally or partially, or may order a re-election of or change in the staff employees or supervisors who execute the bank's business, or may cancel its business permit or license.

Article XV.—The Minister of Finance may cancel the business permit or license of a bank, whose business has been suspended by his order previously, in case he shall deem necessary according to the condition of its readjustment.

Article XVI.—In case a bank, which has its principal or head office at some place outside the area of jurisdiction of the present Law, desires to carry on banking by establishing a branch office, business office or agency at a place within the area of jurisdiction of the present Law, it shall be required to appoint its respective representative for every such business office or agency and secure permission in accordance with the provisions of Article II of the present Law.

When a bank is granted a permit in accordance with the provisions of the preceding paragraph, its business office or agency shall be regarded as a bank as regards the application of the present Law.

When the Minister of Finance grants a permit to a bank in accordance with the provisions of the first paragraph of the present Article, he may especially place certain necessary restrictions to the said permit and may stipulate some special provisions in the form of an order as regards the control or regulation of a bank which has secured permission in accordance with the provisions of the first paragraph of the present Article.

Article XVII.—Any person or persons or concern who carries on banking without due permission from the Minister of Finance shall be punished with a fine not exceeding five thousand yuan (M¥5,000).

Article XVIII.—A bank (in case of a banking corporation, a staff employee or employees executing the business of the said corporation) shall be punished with a fine not exceding one thousand yuan (M¥1,000) in any of the following cases:

1. When a bank violates the provisions of Articles III, IV, V, VIII, or IX;
2. When a bank fails to submit the ledger books and other documents to the Minister of Finance in accordance with the present Law or fails to record necessary matters required for the ledger books and other documents or records a *mala fide* statement in the ledger books and other documents;

3. When a bank fails to submit the report on business or fails in making reports or notifications or makes *mala fide* reports or notifications to the Minister of Finance as are provided for in the present Law;
4. When a bank, in the case of an inspection of the bank by the competent authorities in accordance with the present Law, conceals its ledger books and other documents or make a *mala fide* statement or interferes with or otherwise rejects the inspection;
5. When a bank violates the orders issued by the Minister of Finance in accordance with the present Law.

In case a bank which has its principal or head office at some place outside the area of jurisdiction of the present Law comes under the purview of any of the preceding paragraphs, its branch office, or agency established within the area of jurisdiction of the present Law shall be subject to the provisions contained in the preceding paragraphs.

Article XIX.—Detailed Regulations for the enforcement of the present Law shall be determined by the Minister of Finance.

Supplementary

Article XX.—The present Law shall come into force on the day of its promulgation.

Article XXI.—Any person or persons or concern actually carrying on the transactions or activities as mentioned in Article I of the present Law at the time of the enforcement of the present Law shall be required to secure permission from the Minister of Finance by the end of December, Third year of Tatung (1934).

The provision in the preceding paragraph shall apply mutatis mutandis to any business other than banking to be conducted subject to the sanction to be secured in accordance with the provisions of Article III.

The application for permission or sanction as provided for in the preceding paragraphs shall be filed by the end of June, Third year of Tatung (1934).

Article XXII.—Any person or persons or concern actually carrying on banking business at the time of the enforcement of the present Law after having secured permission from the Minister of Finance, prior to the enforcement of the present Law, shall be regarded as having secured permission in accordance with the stipulations of the present Law.

Statement for Foreign Countries on the Enthronement of the Emperor by Hsich Chieh-shih, Minister for Foreign Affairs—March 1, 1934

Translation

His Majesty the Emperor of Manchoutikuo (the Manchou Empire), conforming to the will of Heaven and complying with the wishes of the people, has acceded the throne at Hsinking on this day, namely, March 1st, the First year of Kangtê, and I respectfully take this occasion to make the following statement elucidating the significance of this event.

It might be recalled that the thirty million inhabitants of this Empire, taking advantage of the downfall of the militarists, freed themselves from the tyranny of the old regime and proclaimed their independence in the first year of Tatung. Our friendly neighbour, the Empire of Japan, animated with the sincere motive to safeguard the peace of the Far East, gave every possible aid and has assisted in making Manchoukuo's independence secure. On March 12th of that year, I informed various foreign nations of the establishment of our State.

During the two years that have gone by since then, the various policies outlined at the time of the founding of this nation have gradually been put into practice in accordance with the basic principles of independent countries of the world, while all national programs and systems have been vastly improved. Meanwhile, the inhabitants have been able to enjoy security of life and to pursue their occupations in peace. Nature has looked upon the country with favours, men have lived in harmony, and the harvests have been plentiful.

At this juncture, the populace of all provinces, districts and cities earnestly and unanimously sought for a sovereign in conformity with the expressed will of Heaven. It should be observed that in further solidifying the foundation of this nation, it is essential that proper designations be adopted and that the relations between sovereign and subjects be defined that the national structure be fixed, and that broad projects for the future be developed. Thus to consolidate the basis of the "Wangtao" State, a rising power of the East, indeed constitutes an indispensable factor in preserving the peace of the Orient.

It may be emphasized in this connection that His Majesty the Emperor has created the Manchou Empire and reigns over it as the first sovereign, by the grace and lessings of Heaven, a fact which must not be confused with the restoration of the Ching dynasty. This also should not imply in the least suspicion and malice in our relation with the people of the Republic of China. The sole aim of this Empire

lies in safeguarding its domain, protecting its inhabitants, and in completing the establishment of a peaceful paradise by perfecting the administration in accordance with the newly promulgated Organic Law, as well as the future Constitution, thereby contributing to the maintenance of lasting peace in the Orient. Our foreign policy as outlined in my formal communication under date of March 12th, the First year of Tatung, will continue to be enforced and faith will remain unbroken. By reverencing the Heavenly commands, efforts will be made to ease the hearts of the people and let all rejoice in universal peace; strifes will give way to tranquility and so shall we be able to sing hymns of concord with all mankind.

Respectfully issued on this auspicious occasion of the Enthronement, First day of March, First year of Kangtê

HSIEH CHIEH-SHIH,
Minister for Foreign Affairs
Manchoutikuo.

Ordinance of Manchoukuo Empire

(March, 1934)

In March 1934, the Government issued the following ordinance on the inauguration of an Imperial Regime in Manchoukuo.

By the grace and will of Heaven, We have acceded to the Throne and have indicated the fundamentals of the sovereign organization by enacting the Organic Law. In the exercise of the supreme power We shall conform to the provisions of the said Law and shall not suffer the same to be violated.

Imperial sign-manual and Imperial seal
First day of March, First year of Kangte (1934).
Countersigned by
The Prime Minister and
Minister of the Departments.

Chapter I. The Emperor

Article I.—The Manchou Empire shall be reigned over and governed by an Emperor. The succession to the Imperial throne shall be as determined separately.

Article II.—The dignity of the Emperor shall be inviolable.

Article III.—The Emperor is the head of the Empire, supervising the sovereign rights, and shall exercise them in accordance with the provisions of the present Law.

Article IV.—The Prime Minister shall give his advice to the Emperor and be responsible for it.

Article V.—The Emperor shall exercise the legislative powers with the approval of the Legislative Council.

Article VI.—The Emperor shall cause the courts of justice to exercise the judicial powers in accordance with the law.

Article VII.—The Emperor shall issue or cause to be issued ordinances for the maintenance of public peace and order and for the promotion of public welfare, or for the carrying out of laws. But no such ordinance shall in any way alter any of the existing laws.

Article VIII.—The Emperor, in consequence of an urgent necessity of maintaining public safety or averting emergency calamities, shall be empowered to issue, with the approval of the Privy Council, when it is impossible to convene the Legislative Council, Imperial ordinances which shall have the identical force of law. Such Imperial ordinances, however, shall be reported at the following session of the Legislative Council.

Article IX.—The Emperor shall determine the organization of the different branches of administration, appoint or dismiss government officials and shall fix their salaries, except in the case of those especially provided for in the present law or other laws.

Article X.—The Emperor shall have the power to declare war, make peace, and conclude treaties.

Article XI.—The Emperor shall have the supreme command of the military, naval and air forces.

Article XII.—The Emperor shall confer decorations and other marks of distinction.

Article XIII.—The Emperor shall order amnesty, pardon, communication of punishments and rehabilitations.

Chapter II. The Privy Council

Article XIV.—The Privy Council shall be composed of Privy Councillors.

Article XV.—The Privy Council shall, when consulted by the Emperor, submit its opinions relative to the following matters:

(1) Laws;
(2) Imperial House Law;
(3) Imperial Ordinances;
(4) Budgets and matters pertaining to contracts other than budgets which entail obligations upon the National Treasury;
(5) Treaties and agreements negotiated with foreign nations and declarations issued in the name of the Emperor;

(6) Major appointments and dismissals of government officials;
(7) Other important matters of state.

Article XVI.—The Privy Council may report its views to the Throne on important matters relating to the affairs of the State.

Chapter III. The Legislative Council

Article XVII.—The organization of the Legislative Council shall be as determined separately by law.

Article XVIII.—All legislative and budgetary bills and matters pertaining to contracts other than budgets entailing obligations upon the National Treasury shall require the approval of the Legislative Council.

Article XIX.—The Legislative Council may present proposals relating to affairs of the State to the State Council.

Article XX.—The Legislative Council may receive petitions presented by the People.

Article XXI.—The Legislative Council shall be convoked annually by the Emperor. The duration of the ordinary session shall be one month which may, however, be prolonged by the Emperor in case of necessity.

Article XXII.—No session of the Legislative Council can be opened unless more than one third of the total number of the members are present.

Article XXIII.—The proceedings at a session of the Legislative Council shall be decided by a majority vote. In case of a tie-vote, the chairman shall have the casting vote.

Article XXIV.—The deliberations of the Legislative Council shall be held in public. Closed sessions may, however, he held upon demand by the State Council or by a resolution of the Legislative Council.

Article XXV.—All legislative and budgetary bills and matters pertaining to contracts other than budgets which entail obligations upon the National Treasury shall be sanctioned, promulgated and put into force by the Emperor.

In the event of the legislative and budgetary bills and matters other than budgets pertaining to contracts which entail obligations upon the National Treasury being rejected by the Legislative Council, the Emperor shall represent them to the Legislative Council by indicating his reasons therefor. When further rejected, the Privy Council shall be consulted for its decision thereon.

Article XXVI.—No member of the Legislative Council shall be held responsible outside the Council for his opinions uttered or for any vote given within the Council.

Chapter IV. The State Council

Article XXVII.—The State Council shall take charge of all administrative affairs.

Article XXVIII.—The State Council shall be composed of the Departments of Civil Affairs, Foreign Affairs, Defence, Finance, Industry, Communications, Justice and Education.

Article XXIX.—The State Council shall have a Prime Minister and each of the Departments a Minister.

The Minister of each Department shall be responsible for the affairs over which he exercises jurisdiction.

Article XXX.—The Prime Minister and the Ministers of the Departments may attend the sessions of the Legislative Council at any time and may have a voice in its deliberations, but shall have no vote.

Article XXXI.—All Imperial edicts or rescripts, Imperial messages, laws and Imperial Ordinances relating to State Affairs shall bear the countersignatures of the Prime Minister and the Ministers of the Departments concerned.

Chapter V. The Courts

Article XXXII.—The Courts shall, in accordance with law, conduct trials of civil and criminal cases. In respect to administrative and other special litigations, however, special provisions shall be made by law.

Article XXXIII.—The organization of the courts and the qualifications of the judicial officials shall be determined by law.

Article XXXIV.—The judicial officials shall command independence in the discharge of their duties.

Article XXXV.—No judicial official shall be dismissed except by criminal trial or disciplinary punishment, nor shall he be subjected to suspension, transfer of position or office and reduction of salary, against his will.

Article XXXVI.—The trials and judgments of courts shall be open to the public. Cases which threaten public order and peace or in which public morals are liable to be in danger, however, may be closed to the public in accordance with law or by decision of the courts concerned.

Chapter VI. The Supervisory Council

Article XXXVII.—The supervisory Council shall conduct supervisory duties and audit the accounts.

The organization and duties of the Supervisory Council shall be determined separately by law.

Article XXXVIII.—The Supervisory Council shall have supervisors and auditors.

Article XXXIX.—No supervisor or auditor shall be dismissed except by criminal trial or disciplinary punishment, nor shall any supervisor or auditor be subjected to suspension, transfer of position and reduction of salary, against his will.

Article XL.—The present Law shall come into force on the First day of March, First year of Kangte.

Article XLI.—The Emperor may, for the time being, issue Imperial ordinances or decrees possessing the identical force of laws, fix the budgets or make contracts other than budgets which entail obligations on the National Treasury, with the approval of the Privy Council.

Article XLII.—All previous ordinances, Council orders, and other laws and ordinances, irrespective of their designation or titles, shall continue to remain in force.

Administrative Policy of Manchoukuo

(March 1, 1934)

During these two years since the establishment of the new State of Manchou, the foundation of the nation has been increasingly strengthened and the welfare of the nation has been greatly advanced, thanks to the protection of Heaven and strenuous efforts of the people, as well as the fraternal cooperation extended by her friendly neighbour, the Empire of Japan. Peace and order have been well preserved even in the remotest corners of the country, various lines of administrative affairs have shown gratifying results, the security of living of the people has been well maintained, and peoples of different races within the domain are harmoniously and peacefully engaged in their respective occupations.

On this happy occasion of the Enthronement, which will lay an eternal foundation of Imperial regime in this country, the Government deems it significant, on the one hand, to reflect upon the results accomplished in the various fields of administration in the last one year, to map out a future programme and declare it to the world so as to endeavour for a further development and prosperity of this nation through active and harmonious cooperation of officials and people, as well as of the various races, and on the other, to carry out its great mission of contributing to the cause of peace and development of the Far East through the friendly cooperation with the neighbour powers.

I. Political, Military Affairs and Foreign Relations

Although at the time of the declaration of independence, Jehol Province joined with the new State of Manchou, for a time it was continuously molested by insurgent activities instigated by the old militarists. However, at the end of February last year the Manchou Army, in cooperation with Japanese troops, launched a campaign to clear the area of these disturbing elements and succeeded in placing them under complete control within a month, and brought the province under sway of this Government. Following the Jehol campaign the allied Manchou and Japanese forces subjugated the remaining bandits rampant in various parts of the land and subsequently this spring cleared the north-eastern regions of similar outlaws. The entire country has thus been placed under the benevolent rule of "Wangtao".

Upon the restoration of peace and order, the Government embarked upon the task of unifying and controlling various organizations and organs and systems. Official discipline has been strictly enforced, while the scale of salaries and other allowances of Government officials is being rationalized extensively. Thus the Government which has succeeded in the accomplishment of its many difficult tasks, such as the elimination of banditry and evils of despotism attending the old government organizations, preservation of the peaceful life of the people, cultivation of industries, reduction of tax burdens, advancement of the prosperity of the people, improvement of cultural and educational enterprises, spread of scientific ideas, furtherance of culture and civilization, and the enforcement of national discipline, has decided to continue its endeavours for the further progress of these undertakings.

As for Manchoukuo's attitude toward the other Powers, the Government solely aims at the maintenance and enhancement of international peace, while insisting upon the sovereign independence of this State, at the same time taking adequate measures and providing for necessary facilities vis-a-vis foreign nations, regardless of recognition or non-recognition by the latter. In fact, these measures have gradually been effected independently.

II. Finance

In the past one year, the guiding policy for the national finance of this country was to stabilize the financial basis without increasing the tax burdens and economic pressure on the people and, at the same time, to balance equitably the tax burdens shouldered by the people. With the rapid restoration of peace and order, as well as the readjustment of financial system and organizations and the proper control of loose expenditures practised in the days of old military regime, the finance of the Government has been completely balanced. The 1933 fiscal year general budget, for instance, which totals M¥149,160,000 respectively in revenues and expenditures includes nothing in the nature of deficit or supplement of revenues except the loan of M¥7,000,000 set aside for national highways construction.

The Government, from the standpoint of social and industrial policies, has balanced the tax burdens on the people by means of a partial revision of internal taxes and customs tariff rates, together with the enforcement of the opium monopoly system. Furthermore, living up to the above-mentioned policies, the Government aims at the security of national life and harmony of economic relations among the nations of the Far East by fundamentally readjusting the internal taxes and revising the customs tariff rates and the salt administration system.

It may be added in this connection that, corresponding with the stabilization of finance and the increase of national credit, as well as the development of economic conditions of the country, the Government expects to adopt before long a "loan policy" in its financial scheme by selecting some suitable enterprises.

III. Economics and Industries

The founding of the new State of Manchou meant to all intents and purposes a fundamental reconstruction of the economic structure of old "Manchuria".

The economic structure of the old days of "Manchuria" was nothing more than that of a dependent colony subservient to the so-called "Three Eastern Provinces" of China. It lacked a national will towards any economic unity or any government consideration for the prosperity of national life, retaining only the feudal conditions peculiar to the system of squeeze and exploitation by militarists. The new State is endeavouring to accomplish an historic mission by creating a national economy which is modern and organic, possessing unity and independence by totally liquidating the debris of economic system of the old militarists.

As for a new economic structure and programme for the realization of our high national ideals mentioned above, it is necessary to base them on deliberate research of economic tendencies prevailing in the present world in general, and capitalist powers in particular, with which our national economy is interwoven, and also on an accurate appreciation of possibilities or probabilities which are inherent in our economic and social fabrics.

In the field of domestic economic activities, the new programme requires a revision of the laissez-faire policy of capitalistic tendency. In other words, those economic activities of the people which have important bearing on the national life at large shall be positively placed under national control and supervision. By so doing a positive realization or national economy, which is so schemed as to combine the features of both the laissez-faire system and planned economy, can, on the one hand, prevent economic activities from perishing, and, on the other, put a limit to despotic activities and monopoly of resources by a few privileged capitalists.

In recent years, the economic pendulum of the world has swung from free trade towards economic nationalism or protectionism, displaying the idea of "every nation for itself." This, however, is by no means a trend towards economic isolation, but it points to the formation of an economic block by one nation with another allied nation.

The present economic rapprochment or cooperation between this country and the Empire of Japan represents only an aspect of the general world "block" tendency; an expansion of the Manchoukuo-Japan economic bloc into one which will embrace all the countries of the Orient should be interpreted as a matter of predestination.

The objectives of our industrial policies are two-fold:

(a) The development of basic resources for purpose of national defence; and

(b) The cultivation of agriculture and the prosperity of stock-farming.

In order to raise and improve our fixed social standard after accomplishing these objectives, it is essential to carry out an industrial revolution with the aid of chemical science or manufacturing by using the raw materials produced by agriculture and stock raising. This basic question suggests great possibilities and probabilities that our country possesses in stock. This "March toward the Industrial Revolution" is indeed a slogan for this country's industrial development, and the Manchoukuo-Japan economic combination or cooperation will converge on these two objectives. In view of the great role played by water facilities in our economic society, the Government is engaged in the basic investigations regarding river conservancy or reconstruction and public works for water transportation, subsequent to which some gigantic scheme may be projected.

Furthermore, the Government is accelerating a project for the establishment of an adequate science research institute with the object of providing the nation with necessary scientific knowledge and engineering skill greatly needed for the accomplishment of our industrial revolution in the future and for the advancement of the welfare and civilization of the Asiatic peoples through a scientific study of the Asiatic Continent.

It is a matter of gratification to note that smooth progress has been made in the redemption of old bank notes issued recklessly by the former militarists, together with the withdrawal of the so-called Ma-tayan notes in Heilungkiang and old notes circulated in Jehol Province. Thus the completion of currency unification is now very near at hand. The restoration of peace and order, the stabilization of national finance and the unification of currency, which have been universally regarded as the three most difficult undertakings confronting this country, are now almost concluded. Now that these great tasks are being accomplished, economic and industrial activities, large and small, are making a general march forward on the high road to an historic goal.

Law Concerning Orders of Merit and Decorations

Promulgated April 19, First Year of Kangtê (1934)

Article 1.

In recognition of distinguished and meritorious services to the State by persons, orders of merit shall be conferred upon such persons and decorations shall be granted to them.

Article 2.

The orders of merit shall consist of the following nine grades:

Grand Order of Merit;
First Order of Merit;
Second Order of Merit;
Third Order of Merit;
Fourth Order of Merit;
Fifth Order of Merit;
Sixth Order of Merit;
Seventh Order of Merit;
Eighth Order of Merit.

Article 3.

The decorations shall consist of the Collar of the Grand Order of the Lanhua (Orchid), the Grand Cordon of the Lanhua (Orchid), the

Order of the Lungkuang (Dragon Ray), and the Order of the Chingyun (Prosperous Cloud).

Article 4.

The orders of merit shall be conferred through letters patent.

The letters patent for holders of the Grand Order of Merit, the First or the Second Order of Merit shall bear the Imperial Sign Manual and the Seal of the State as well as the signature of the Prime Minister who shall also enter the date by Imperial command. The letters patent for holders of any of the orders of merit of or below the Third Order of Merit shall bear the Seal of the State and the signature of the Prime Minister who shall also enter the date by Imperial command.

The Director of the Bureau of Decorations (of the General Affairs Board) shall enter in each letter patent a number according to the grade of decoration to be conferred, and shall append a note to the effect that the number has been entered in the Register provided for the purpose, and shall also affix the Seal of the State Council and his signature.

Article 5.

The Collar of the Grand Order of the Lanhua may be granted to holders of the Grand Order of Merit by special grace of the Emperor. The Grand Cordon of the Lanhua shall be granted to those who are to be conferred the Grand Order of Merit.

Article 6.

The Order of the Lungkuang may be granted by special grace of the Emperor to those who are to be conferred or who have been conferred the First Order of Merit.

The Order of the Chingyun shall be granted to those who are to be conferred any of the decorations from the First to the Eighth Order of Merit, excepting those who have been conferred the First Order of Merit and who have been granted the Order of the Lungkuang.

Article 7.

Designs of the decorations shall be designated by an order of the State Council.

Supplementary

The present Law shall come into force as from the date of promulgation.

Investment Enterprise Loan Law Promulgated July 18, First Year of Kangtê (1934)

Article 1

For the purpose of making loans to public organizations to enable them to undertake enterprises, and of financing, and investing in juridical persons created by special ordinances, and investing in juridical persons created by special ordinances, the Government may issue loans or borrow money by degrees to the extent of 25,000,000 yuan.

In case a loan is to be floated in foreign currency, in accordance with the provisions of the foregoing paragraph, the exchange rate prevalent at the time of its issue shall be taken as the standard, and the amount of issue shall be fixed by the Minister of Finance.

Article 2

All matters relating to the interest rate, issue price, redemption, payment of interest, and other affairs concerning the floatation of any loan in accordance with the provisions of the foregoing article shall be decided by the Minister of Finance.

Article 3

Any bond issue or any borrowing by virtue of the provisions of Article 1 shall be charged to the special investment account to be created, which shall receive its proceeds, and dispose of the same.

Supplementary Regulation

The present Law shall become effective on the date of its Promulgation.

Organization Law of The Provincial Governments

Imperial Ordinance No. 124—Promulgated October 11, First Year of Kangtê (1934)

Article I

The Provincial Governments shall in all consist of the following personnel:

10 Provincial Governors—the Grade of Selected Appointment (four may be of the Grade of Special Appointment).

46 Board Directors—the Grade of Selected or Recommended Appointment.

86 Directing Secretaries (Lishihkuan)—the Grade of Recommended Appointment.

18 Chief Technical Experts (Chicheng)—the Grade of Recommended Appointment.

10 Private Secretaries to the Governors (Mishukuan)—the Grade of Recommended Appointment.

10 Police Superintendents (Tuchakuan)—the Grade of Recommended Appointment.

124 Secretaries (Shihwukuan)—the Grade of Recommended Appointment.

14 Police Inspectors (Chingcheng)—the Grade of Recommended Appointment.

17 School Inspectors (Shihhsuehkuan)—the Grade of Recommended Appointment.

34 Assistant Chief Technical Experts (Chitso)—the Grade of Recommended Appointment.

1,019 Subordinate Officials (Shukuan)—the Grade of Delegated Appointment.

84 Technical Experts (Chishih)—the Grade of Delegated Appointment.

32 Police Sergeants (Chingtso)—the Grade of Delegated Appointment.

Article II

The personnel of each Provincial Government consisting of officials mentioned in the foregoing Article shall be determined by the Minister of Civil Affairs.

Article II

The Provincial Governors shall enforce laws and orders, and shall have charge of the administration of affairs within their respective provinces under the direction and supervision of the Minister of Civil Affairs, and in respect of affairs coming under the jurisdiction of any other Minister, they shall do likewise under the direction and supervision of the Minister concerned.

Article IV

The Provincial Governors shall exercise direction and supervision over the officials of their respective Governments; they shall submit to the Minister of Civil Affairs for approval recommendations concerning promotions, degradations, resignations, rewards and punishments relating to officials of and above the Grade of Recommended Appointment; such matters affecting officials of or below the Grade of Delegated Appointment shall be determined by the Governors themselves.

Article V

The Provincial Governors may issue provincial orders regarding administrative affairs within their respective provinces in accordance with the powers invested in them or by special authorization.

Article VI

The Provincial Governors shall exercise direction and supervision over the hsien magistrates, the mayors of cities and chiefs of police headquarters within their respective provinces.

The Provincial Governors may cancel or suspend such orders or acts of disposition of hsien magistrates, mayors of cities or chiefs of police headquarters as are deemed to be contrary to established rules and regulations or detrimental to public interest, or as are deemed ultra vires.

Article VII

Whenever any Provincial Governor requires troops for the maintenance of public peace and order, he shall submit a request for the same to the Minister of Civil Affairs. In case of an extraordinary emergency, however, he may request the local military commander to dispatch troops.

Article VIII

In case any Provincial Governor is unable to discharge his duties from any cause whatsoever, the Director of the Board of General Affairs of his Government shall act in his place.

Article IX

The Provincial Governors may entrust any portion of their functions possessed by virtue of the powers vested in them, to hsien magistrates, mayors of cities, or chiefs of police headquarters.

Article X

The Board Directors of a Provincial Government shall have charge of the affairs of their respective Boards by order of the Provincial Governor concerned.

The Director of the Board of Police Affairs shall, by order of the Provincial Governor, direct and supervise the chiefs of police headquarters, the chiefs of police bureaux, and all police officers and officials of and below the rank of police inspectors within the Province, in all matters relating to the execution of police duties.

Article XI

The Directing Secretaries and Secretaries shall have charge of assigned matters by order of their superior officials.

The Chief Technical Experts and the Assistant Chief Technical Experts shall have charge of all technical affairs by order of their superior officials.

The Private Secretaries to the Governors shall have charge of all confidential affairs and other matters specially assigned to them by order of the Provincial Governors.

The Police Superintendents shall superintend all police affairs within their respective provinces by order of their superior officials.

The Police Inspectors shall have charge of affairs concerning the police by order of their superior officials; in respect of matters concerning the execution of police duties they shall, by order of the Director of the Board of Police Affairs, direct and supervise all police officers and officials of and below the rank of sergeants.

The School Inspectors shall inspect the conditions of school affairs by order of their superior officials, and shall also have charge of educational affairs by special authorization.

The Subordinate Officials shall attend to their assigned duties under the direction of their superior officials.

The Technical Experts shall attend to their assigned technical duties under the direction of their superior officials.

The Police Sergeants shall attend to affairs concerning the police under the direction of their superior officials.

Article XII

The following five Boards shall be established in each Provincial Government:

The Board of General Affairs.
The Board of Civil Affairs.
The Board of Police Affairs.
The Board of Industry.
The Board of Education.

Article XIII

The Provincial Government designated by the Minister of Civil Affairs may not have a Board of Industry and a Board of Education, or either one of the two aforementioned Boards.

In case of the former the affairs mentioned in Article 17 and Article 18, and in case of the latter the affairs mentioned in either of the aforementioned Articles shall be administered by the Board of Civil Affairs.

Article XIV

The Board of General Affairs shall have charge of matters relating to:

1. Confidential affairs.
2. Personnel.

3. Documents and the custody of official seals.
4. Accounting and general affairs.
5. Statistics and investigations.
6. Affairs not specifically assigned to any other Board.

Article XV

The Board of Civil Affairs shall have charge of matters relating to:

1. Supervision of local administration.
2. Disasters and relief.
3. Public works.
4. Land.

Article XVI

The Board of Police Affairs shall have charge of matters relating to:

1. Administrative police.
2. Judicial police.
3. Hygiene.

Article XVII

The Board of Industry shall have charge of matters relating to:

1. Agriculture, forestry, live-stock and marine products.
2. Industry and commerce.

Article XVIII

The Board of Education shall have charge of matters relating to:

1. Education and arts.
2. Rites, customs and religion.
3. Historical sites, scenic spots and natural mementos.

Article XIX

The name and territory of each Province and the seat of each Provincial Government shall be as contained in the separate list attached to the present Ordinance.

Article XX

Each Provincial Governor shall, with the approval of the Minister of Civil Affairs, determine regulations concerning the division and management of affairs of the various Boards.

Supplementary Regulations

The present Ordinance shall come into force from the first of December of the First Year Kangtê (1934).

Ordinance No. 13 of the First year of Tatung embodying the Organization Law of the Provincial Governments, Ordinance No. 14 of the First Year of Tatung concerning the Provisional Appointment of a Counsellor to each Provincial Government, and Ordinance No. 17 of the second Year of Tatung concerning the Appointment of a Chief Secretary to each Provincial Government shall be abolished.

Oil Monopoly Law

Ordinance No. 149—Promulgated November 14, First Year of Kangtê (1934)

Article I

The word "oils" as used in the present Law includes gasoline, kerosene, gas-oil, heavy oil, benzol, and fuel oil substitutes.

The scope of the fuel oil substitutes mentioned in the foregoing paragraph shall be determined by an Imperial ordinance.

Article II

The sale of oils shall be a Government monopoly.

Article III

The manufacture, refining, importation and exportation of oils shall not be allowed except by those who have obtained permission for such from the Government.

Article IV

Those oils which have been manufactured, refined or imported by permission of the Government shall be purchased by the Government.

Article V

The sale and distribution of oils shall be conducted by oil dealers designated by the Government. Depending upon special circumstances, however, the sale of oils to consumers by the Government itself shall not be obstructed.

Matters which are necessary in connection with the sale and distribution of oils and also in connection with the oil dealers designated by the Government shall be determined by the Minister of Finance.

Article VI

The Government, when it deems necessary, may order any oil dealer appointed by it to keep a certain designated fixed supply of oils in stock.

Article VII

The manufacture, importation and exportation of mineral oils other than oils shall not be allowed except by those who have obtained permission for such from the Government.

Article VIII

The Government, when it deems necessary, may order any person engaged in the handling of oils or oils mentioned in the foregoing Article to make a report to the Government, or to effect improvements in his equipment or it may issue orders concerning other matters.

Article IX

The competent officials, when they deem necessary, may enter any factory or any place of storage of oils or oils mentioned in Article VII, or any shop of any oil dealer designated by the Government or any other place, and may inspect oils or oils mentioned in Article VII, accounts, documents and other objects, or they may conduct other various investigations.

Article X

Whenever the competent officials deem that a crime has been committed in connection with the present Law or orders based upon it, they may question any person connected with the said crime, and may also seize any object which may serve as evidence.

Article XI

In case any person who has obtained the permission mentioned in Article III or Article VII or any person who has been designated as a oil dealer commits an act in violation of any provision of the present Law or any order based upon it, or any action taken in accordance with such order, the Government may cancel the permission or the appointment as a oil dealer, or it may order the temporary suspension of business during a certain fixed period.

Article XII

Any person who manufactures, refines, imports or exports oils in violation of the provisions of Article III shall be punished with a fine not exceeding five thousand (5,000) yuan.

Article XIII

Any person who manufactures, refines, imports or exports oils mentioned in Article VII in violation of the provisions of the said Article shall be punished with a fine not exceeding three thousand (3,000) yuan.

Article XIV

Attempted crimes coming under the two foregoing Articles shall be punished.

Article XV

Any person coming under any of the following categories shall be punished with a fine not exceeding two thousand (2,000) yuan:

1. Persons selling oils not sold by the Government;
2. Persons violating a storing order issued under Article VI.

Article XVI

Any person coming under any of the following categories shall be punished with a fine not exceeding five hundred (500) yuan:

1. Persons who violate any order issued under Article VIII or who make false reports to the Government;
2. Persons who obstruct the execution of duties by any competent official acting under Article IX or Article X.

Article XVII

All objects which were used in the commission of any crime mentioned in Article XII to XIV inclusive shall be seized by the Government, irrespective of whether such objects belong to the criminal or criminals involved in such crime. In case it is found impossible to seize all or any part of such objects, the Government shall collect a sum of money equivalent to the value of such objects or any part thereof, as the case may be.

Article XVIII

Any employee or any other person engaged in the affairs of an employer, who, in connection with the affairs of the said employer, commits any act in violation of the provisions of Article III or Article VII, or who violates a storing order issued under Article VI, or who violates any order mentioned in Article VIII, or who makes a false report to the Government, shall be punished as well as his employer. However, in case the employer is an interdict or a minor who does not possess the same legal capacity as an adult, the legal representative of the said employer shall be punished.

Article XIX

Any employee of a juridical person or any other person engaged in the affairs of a juridical person, who in connection with the affairs of the said juridical person, commits an act in violation of Article III or Article VII, or who violates any order issued under Article VIII, or who makes a false report to the Government, shall be punished, as well as the members or officers, as the case may be, who administer the affairs of the said juridical person.

Any member or officer who administers the affairs of a juridical person and who commits any act mentioned in the foregoing paragraph, shall be punished.

Article XX

Any employer, legal representative, or any member or officer who should be punished for an act under Article XVIII or Paragraph I of the foregoing Article, shall be exempt from punishment, provided such employer, legal representative, or such member or officer who administers the affairs of a juridical person, can prove that there was no means of preventing the said act.

Supplementary

The date of enforcement of the present Law shall be determined by the Minister of Finance.

Any person who is engaged in the manufacture or refining of oils or oils mentioned in Article VII at the time of promulgation of the present Law shall be regarded as having obtained permission under the present Law, provided such person registers with the Government within one month after the date of enforcement of the present Law.

LAW CONCERNING THE NORTH MANCHURIA RAILWAYS LOANS

Promulgated March 14, 2nd year of Kangtê (1935)

Translation

Article I

For defrayment of expenses in connection with the cession to Manchoukuo of the rights of the Union of Soviet Socialist Republics concerning the North Manchuria Railway, the Government may, from time to time, float loans to the amount not exceeding 180,000,000 yen in total in Japanese currency, or may receive advance payments on such loans.

Article II

The rates of interest on the above-mentioned loans and advance payments on the same, the prices of issue, matters relating to redemption of principal and payment of interest, as well as all other matters concerning such loans and advance payments on the same, shall be determined by the Minister of Finance.

Article III

All properties and revenues of the North Manchuria Railway shall be offered as security for the loans and advance payments on the same herein mentioned.

Article IV

Each issue of the loans and each advance payment on the same herein mentioned may enjoy prior rights over all other claims, in respect of the security mentioned in the foregoing Article, and may receive equal and common treatment in matters concerning their redemption.

Supplementary Regulation

The present Law shall come into force on the day of its promulgation.

Agreement between Manchoukuo and the Union of Soviet Socialist Republics for the cession to Manchoukuo of the Rights of the Union of Soviet Socialist Republics concerning the North Manchuria Railway (Chinese Eastern Railway).

(March 23, 1935)

Manchoukuo and the Union of Soviet Socialist Republics, being desirous to settle the question of the North Manchuria Railway (Chinese Eastern Railway) and thus to contribute to the safeguards of peace in the Far East, have resolved to conclude an Agreement for the Cession to Manchoukuo of the Rights of the Union of Soviet Socialist Republics concerning the North Manchuria Railway (Chinese Eastern Railway), and have to that end named as their Plenipotentiaries, that is to say:

The Government of Manchoukuo:

W. S. Y. TINGE, Envoy Extraordinary and Minister Plenipotentiary to Japan.

Chuichi OHASHI, Vice-Minister for Foreign Affairs.

WU Tse-sheng, Adviser to the Directorate-General of the North Manchuria Railway (Chinese Eastern Railway).

The Government of the Union of Soviet Socialist Republics:

Constantin Constantinovitch YOURNEFF, Member of the Central Executive Committee of the Union of Soviet Socialist Republics and Plenipotentiary Representative of the Union of Soviet Socialist Republics in Japan.

Benedict Ignatievitch KOSLOVSKY, Chief of the Second Eastern Department of the People-Commissariat for Foreign Affairs.

Stepan Matveievitch KUZNETSOFF, Vice Chairman of the Board of Directors of the Chinese Eastern Railway, (North Manchuria Railway).

Who, having communicated to each other their respective Full

Powers, found to be in good and due form, have agreed upon the following Articles:

ARTICLE I

The Government of the Union of Soviet Socialist Republics shall cede to the Government of Manchoukuo all the rights they possess concerning the North Manchuria Railway (Chinese Eastern Railway), in consideration of which the Government of Manchoukuo shall pay to the Government of the Union of Soviet Socialist Republics the sum of one hundred and forty million (140,000,000) yen in Japanese currency.

ARTICLE II

All the rights of the Government of the Union of Soviet Socialist Republics concerning the North Manchuria Railway (Chinese Eastern Railway) shall pass to the Government of Manchoukuo upon the coming into force of the present Agreement, and at the same time the North Manchuria Railway (Chinese Eastern Railway) shall be placed under the complete occupation and the sole management of the Government of Manchoukuo.

ARTICLE III

1. Upon the coming into force of the present Agreement, the senior members of the administration of the North Manchuria Railway (Chinese Eastern Railway) who are citizens of the Union of Soviet Socialist Republics shall be released from their duties. The said senior members of the administration of the Railway shall hand over all the archieves, records, papers and documents of whatever description in their charge to their respective successors in the new administration of the Railway.

It is understood that the term the "senior members of the administration of the North Manchuria Railway (Chinese Eastern Railway)" employed in the present Article indicates:

(A) All the members of the Board of Directors and of the Audit Committee.

(B) The general manager and assistant manager of the Administration.

(C) The assistant chief controller.

(D) All the managers and sub-managers of the Departments of the Board of Directors, the Audit Committee, the Control and the Administration. All agents for commission, engineers for commission. All the senior agents, advisers and chiefs of the sections and subsections.

2. With the aim of ensuring the normal functioning of the Railway, the Government of the Union of Soviet Socialist Republics agree

to place at the disposal of the new administration the following persons from among the senior members of the administration of the Railway who are citizens of the Union of Soviet Socialist Republics as advisers for one month from the date of the coming into force of the present Agreement:

(A) The general manager of the Administration.

(B) The manager of General Affairs Office of the Administration.

(C) The manager of the Motive power Department of the Administration.

(D) The chief of the Financial Department of the Administration.

(E) The manager of the Commercial Department of the Administration.

3. At any time after the coming into force of the present Agreement, the Government of Manchoukuo may dismiss any or all of the following persons:

(A) All the chiefs of railway sections, stations and depots.

(B) The chiefs of all the following auxiliary enterprises of the Railway:

a. Forest concessions and lumbering.
b. Coal mines.
c. Power stations.
d. Printing plant.
e. Auxiliary enterprises of the Commercial Department.
f. Nursery and green-houses in Harbin.
g. Main workshops of the Ways Department.
h. Wool-washing works and hydro-loading works.
i. Water works in Harbin.
j. Soft-drinks factory.
k. Graduations of beans.
l. Saw-mill.
m. Waste-cleaning works.
n. Grand Hotel.
o. Health resorts and sanatoria.
p. Hospitals and clinics.
q. Library.
r. Economic Bureau.

4. The persons referred to in Section 1 of the present Article shall have the rights to remain in Manchoukuo and to retain their railway lodgings for one month after the coming into force of the present Agreement.

The persons referred to in Section 2 of the present Article shall have the right to remain in Manchoukuo and to retain force of the present Agreement.

Those persons who have been dismissed by virtue of Section 3 of the present Article shall have the right to receive their regular salary for one month from the date of their dsimissal. They shall have the right to remain in Manchoukuo and to retain their railway lodgings for two months from the date of their dismissal.

ARTICLE IV

The Government of Manchoukuo shall succeed to the assets and liabilities of the North Manchuria Railway (Chinese Eastern Railway) in accordance with the list of assets and liabilities of the Railway as on December 31st, 1933, presented by the Delegation of the Government of the Union of Soviet Socialist Republics on March 22nd, 1934, to the Delegation of the Government of Manchoukuo through the Minister for Foreign Affairs of Japan, as supplemented by the lists which were made on March 17th and March 21st, 1935, in order to show the changes sustained by the assets and liabilities included in the first list from the date of the first list up to the date of the last list and also to show the new assets and liabilities which have arisen on and after January 1st, 1934.

It is agreed that the provisions of Section 4, Article IX of the Agreement on General Principles for the Settlement on General Principles for the Settlement of the Questions between the Union of Soviet Socialist Republics and the Republic of China signed at Peking on May 31st, 1924, and those of Section 3, Article I of the Agreement between the Government of the Union of Soviet Socialist Republics and the Government of the Autonomous Three Eastern Provinces of the Republic of China signed at Mukden on September 20th, 1924, shall remain in force.

ARTICLE V

The Government of the Union of Soviet Socialist Republics shall have the right to maintain the following property for the use of their Consulate General in Harbin in the form of a permanent and rent-free lease.

a. The land and buildings now occupied by the said Consulate General:

Locality: Yao-chang-Kai, Chin-chia-Kang.
Area: 14, 783, 52 square metres.
Buildings: Office, No. 10,49; 2,174.90 square metres.
Residence, No. 1,047; 675.37 square metres.
Garage and its annex, No. 1051; 245.88 square metres.
Guard-room, No. 1052; 38.90 square metres.

b. The land and building now occupied by the officials of the said Consulate General:

Locality: Hai-cheng-Kai, Chin-chia-Kang.

Area: 2,530 square metres.
Building: No. 034, 258.51 square metres.

The following Property shall be leased rent-free and sine die to the Consul General of the Union of Soviet Socialist Republics in Harbin on the day of the coming into force of the present Agreement, and shall immediately thereafter be placed and remain under the occupation and management of the community of the citizens of the Union of Soviet Socialist Republics in Harbin to be used solely for the purposes prescribed hereunder:

a. The IVth School of the North Manchuria Railway (Chinese Eastern Railway), situated at No. 35, Shangwu-Kai, Tao-Li, Harbin, with all the buildings and property to be found there, to be used for the elementary and secondary education of the said community.

b. The land known under No. 949, at the corner of Kao-shi-Kai and Chin-cha-Kai, Tao-Li, Harbin, with all the buildings on it, which are to be used in the future as hospital.

Within one month from the date of the coming into force of the present Agreement, a library shall be selected, for the use of the abovementioned IVth School, from the books of the North Manchuria Railway (Chinese Eastern Railway) Library in Harbin, by mutual agreement between the local authorities of Manchoukuo and the Consul General of the Union of Soviet Socialist Republics in Harbin. The books so selected shall be transferred to the said School.

ARTICLE VI

The properties occupied by the North Manchuria Railway (Chinese Eastern Railway) which are claimed by the Government of the Union of Soviet Socialist Republics as belonging to them and not to the Railway, and the properties existing in the territory of the Union of Soviet Socialist Republics which are claimed by the Government of Manchoukuo as belonging to the North Manchuria Railway (Chinese Eastern Railway), are regarded as having been mutually renounced by respective Governments in favour of the other Government, and neither Government shall in future raise against the other Government any demand concerning the said properties.

The above provisions shall not apply to the properties (buildings and their sites and other railway properties) of the Trans-baikal Railway now existing at Manchuli, and the properties of the Ussuri Railway now existing at Suifenho, which are actually occupied respectively by the said two Railways and shall remain their property under their management.

ARTICLE VII

Out of the sum of one hundred and forty million (140,000,000) yen in Japanese currency referred to in Article I of the present Agreement, the sum of forty-six million seven hundred thousand (46,700,000) yen shall be paid in cash in accordance with the provisions of Article VIII of the present Agreement, and the settlement for the remaining sum of ninety-three million three hundred thousand (93,300,000) yen shall be effected in the form of payments made by the Government of Manchoukuo for goods delivered to the Government of the Union of Soviet Socialist Republics in accordance with the provisions of Article IX of the present Agreement.

ARTICLE VIII

Out of the sum of forty-six million seven hundred thousand (46,700,000) yen to be paid in cash in accordance with the provisions of Article VII of the present Agreement, the sum of twenty-three million three hundred thousand (23,300,000) yen shall be paid simultaneously with the signing of the present Agreement.

The remaining sum of twenty-three million four hundred thousand (23,400,000) yen as well as the simple interest at the rate of three per cent. per annum is to be paid by the Government of Manchoukuo to the Government of the Union of Soviet Socialist Republics in the form of the Treasury Bonds of the Government of Manchoukuo. The said Treasury Bonds are to be issued of the following amounts and mature on the dates indicated hereunder: six million three hundred and seventy-six thousand five hundred (6,376,500) yen maturing on December 23rd, 1935, six million two hundred and forty-four thousand eight hundred and seventy-five (6,244,875) yen maturing on September 23rd, 1936; six million one hundred and thirteen thousand two hundred and fifty (6,113,250) yen maturing on June 23rd, 1937; five million nine hundred and eighty-one thousand six hundred and twenty-five (5,981,625) yen maturing on March 23rd, 1938. The Treasury Bonds of the Government of Manchoukuo mentioned above are to be issued in favour of the Government of the Union of Soviet Socialist Republics and are to be delivered by the Representative of the Government of Manchoukuo to the Representative of the Government of the Union of Soviet Socialist Republics simultaneously with the signing of the present Agreement, and shall be paid at the Industrial Bank of Japan, Ltd.

In case the exchange rate of the yen in terms of the Swiss franc calculated on the basis of the respective exchange rates of the yen and the Swiss franc in London on the day before the date of payment of any of the second and subsequent instalments provided for in the present Article should be lower or higher by eight per cent. or more in comparison with the exchange rate of the yen in terms of the Swiss franc as calculated on the basis of the respective exchange rates of the yen and the Swiss franc in London on the date of the coming into force of the present Agreement, the amount of the said instalment shall be increased or reduced, as the case may be, so that the value in Swiss francs of the instalment shall be the same as it is on the date of the coming into force of the present Agreement.

In case the present gold parity of the Swiss franc (one Swiss franc being equivalent to nine thirty-firsts of one gram of fine gold) should be altered or in case the convertibility of the Swiss franc into gold should to suspended, the following method shall be adopted in place of the method provided for in the preceding paragraph.

In case the weight of fine gold whose value, when calculated on the basis of the price of gold and the exchange rate of the yen in London on the day before the date of payment of any of the second and subsequent instalments provided for in the present Article, is equal to the amount of the instalment, should be less or more or eight per cent. or more in comparison with the weight of fine gold whose value, when calculated on the basis of the price of gold and the exchange rate of the yen in London on the date of the coming into force of the present Agreement, is equal to the said instalment, the amount of the instalment shall be increased or reduced, as the case may be, so that the value in fine gold of the instalment shall be the same as it is on the date of the coming into force of the present Agreement.

ARTICLE IX

The settlement for the sum of ninety-three million three hundred thousand (93,300,000) yen, to be effected in the form of payments made by the Government of Manchoukuo for the goods delivered to the Government of the Union of Soviet Socialist Republics, as provided for in Article VII of the present Agreement, shall be executed in the following manner.

1. The Trade Representation of the Union of Soviet Socialist Republics in Japan will make contracts for the purchase of goods produced or manufactured in Manchoukuo or Japan with the subjects or juridical persons of either of these two countries, up to the sum of ninety-three million three hundred thousand (93,300,000) yen indicated in Article VII within the period of six months from the date of the coming into force of the present Agreement. The delivery of the goods thus purchased shall be effected to the Trade Representation in Japan by the above-mentioned subjects or juridical persons within the period of three years from the date of the coming into force of the present Agreement in accordance with the terms of the contracts concerned, it being understood that the goods so delivered in the course of each of the six equal periods of six months constituting the said years shall not exceed in value the sum of thirty-one hunrded thousand (31,100,000) yen and that the total amount of the goods delivered in the course of each of the three equal periods of one year constituting the said three years shall not exceed in value the sum of thirty-one million one hundred thousand (31,100,000) yen.

2. The terms of payment for the goods shall be arranged in such a way that for each such period of six months in the course of the said three years the Government of Manchoukuo shall make payment not exceeding the sum of fifteen million five hundred and fifty thousand (15,500,000) yen for the delivery of the goods mentioned in the foregoing Section and in case any balance of that sum shall for any reason remain unpaid at the end of any such period of six months, such balance shall be paid off during the next six months and so on, so that the whole sum of ninety-three million three hundred thousand (93,300,000) yen shall be paid off by the end of the said three years.

3. It is agreed that should the above-mentioned contracts not be concluded within the period of six months after the coming into force of the present Agreement, the Trade Representation shall have the right to make such contracts after the expiration of the said period of six months, and further that, should any of the parties other than the Trade Representation to the contracts concluded in accordance with the foregoing provisions of the present Article fail to carry out such contracts or to fulfil such contracts in a proper manner for which reason these contracts are abrogated, the Trade Representation shall in each case have the right to conclude fresh contracts with other subjects or juridical persons of Manchoukuo or Japan, in which case the latter of the goods to be effected after the three years' term abovementioned.

4. The contracts mentioned in the present Article shall be concluded either c.i.f. or f.o.b. at the choice of the Trade Representation and shall provide for payments in cash for goods by the Government of Manchoukuo.

5. When the Trade Representation have concluded a contract for the purchase of goods with the subjects or juridical persons of Manchoukuo or Japan, the Trade Representation shall give the Financial Attaché to the Legation of Manchoukuo in Japan a résumé of the contract, mentioning the names of the parties to the contract, the description, place of origin and quantity of the goods, the total amount of the sums to be paid, the date and place of delivery of the goods and of the payment therefore, as well as any other terms of the payment and delivery, including any provisions for payment in advance. The said résumé shall be attested by both parties to the contract. Besides this, so far as circumstances permit, certificates of origin issued by any chamber of commerce and industry in Manchoukuo or Japan in respect of the goods, or by any other organization authorized to issue such certificates by the Government of either of these two countries, shall be presented to the Financial Attaché by the seller of the goods.

The Financial Attaché, upon receipt of the résumé of the contract, provided its contents do not conflict with the provisions of the present Article, shall notify, not later than within seven days thereafter, the Trade Representation and the seller of the goods concerned to the effect that the Government of Manchoukuo undertake to effect payment for the goods in conformity with the said résumé of the contract.

For the purpose of obtaining a settlement of his accounts the seller of the goods shall hand to the Trade Representation the documents entitling the Trade Representation to dispose of the said goods (bill of lading, invoice, etc.).

The Financial Attaché, upon receipt of the notification given by the Trade Representation to the effect that the delivery of the goods referred to in the résumé of the contract has been accomplished, shall issue a cheque to order drawn with the Industrial Bank of Japan, Ltd. as payer, the seller of the goods as payee and the price of the goods as its face amount, and shall deliver it to the seller on the date of payment, and, in case the presentation of the certificates of origin of the goods above referred to shall have been prevented at the time of presentation of the résumé of the contract, against such certificates. The seller of the goods shall give a receipt for the said cheque. Payment in advance to the seller of the goods may be effected in a similar manner by the Financial Attaché in conformity with the résumé of the contract against the advice of the Trade Representation to the effect that such payment shall be made.

6. It is understood that in the present Article the term "goods manufactured in Manchoukuo or Japan" indicates goods manufactured within either of the countries from raw materials imported from any other countries as well as from raw materials produced in either and that the term "juridical persons of Manchoukuo or Japan" indicates the juridical persons which are or may be incorporated in accordance with the law of Manchoukuo or Japan respectively.

ARTICLE X

1. Three months' notice shall be given to each of the employees of the North Manchuria Railway (Chinese Eastern Railway), other than those included in the provisions of Article III of the present Agreement, who are citizens of the Union of Soviet Socialist Republics and whom the Government of Manchoukuo may desire to dismiss from reasons of convenience on the part of the Government of Manchoukuo after the coming into force of the present Agreement.

2. Employees of the North Manchuria Railway (Chinese Eastern Railway) who are citizens of the Union of Soviet Socialist Republics and who may be dismissed shall have the right to remain in Manchoukuo for two months after their dismissal in order to dispose of their personal affairs.

3. Employees of the North Manchuria Railway (Chinese Eastern Railway) who are citizens of the Union of Soviet Socialist Republics shall continue in the full enjoyment of their rights in movable and immovable property in accordance with the laws of Manchoukuo.

4. Employees of the North Manchuria aRilway (Chinese Eastern Railway) who are citizens of the Union of Soviet Socialist Republics shall enjoy the full right to dispose of their property in accordance with the laws of Manchoukuo and to carry their property out of Manchoukuo either in its original form or in its money equivalent in any foreign currency.

5. Employees of the North Manchuria Railway (Chinese Eastern Railway) who are citizens of the Union of Soviet Socialist Republics and who have retired through dismissal or of their own accord and who leave for the territory of the Union of Soviet Socialist Republics within two months after their retirement, shall be granted the privilege of free transport over the North Manchuria Railway (Chinese Eastern Railway) for themselves, their families, and their personal and household effects either to the station of Manchuli or to the station of Suifenho, at their own option.

ARTICLE XI

1. The various descriptions of retiring allowances and payments —(discharge allowances and other sums due to employees in respect of service on the Railway, employees' savings in the Relief Savings Association and the payments additional thereto on the part of the Railway including interest, pensions and block grants in accordance with the regulations of the Relief Savings Association, as well as pensions and compensations for personal injuries according to the "Regulations of 1912 relating to the indemnification of persons who have met with accidents")—to employees of the North Manchuria Railway (Chinese Eastern Railway) who are citizens of the Union of Soviet Socialist Republics and who may be dismissed or may retire of their own accord after the coming into force of the present Agreement, so far as such allowances and payments are in respect of the period before the coming into force of the present Agreement, shall be individually reckoned and paid out in accordance with the regulations of the North Manchuria Railway (Chinese Eastern Railway) in force up to the date of the coming into force of the present Agreement, as modified by the provisions of the present Article.

> Note. Discharge allowances for the period up to November 11th, 1930, are to be paid according to the rates existing up to November 11th, 1930.

2. Employees who are citizens of the Union of Soviet Socialist Republics and who are dismissed or retired of their own accord after the coming into force of the present Agreement shall be considered as employees who have been dismissed as the result of the abolition of offices, so far as concerns the calculation of the various descriptions of retiring allowances and payments.

3. Discharge allowances and other payments relative to service concerning the Railway, and compensations for injuries sustained in such service, as well as savings and the prescribed interest thereon, shall be paid within a Fortnight from the day of dismissal or retirement, provided that in respect of persons who shall be dismissed, half the amount of such savings shall be paid within two mnoths from the date of the notice of such dismissal.

The block grants to persons who have been in the service of the Railway for less than ten years as well as payments additional to savings together with the prescribed interest thereon shall be paid in four equal instalments within two years from the date of dismissal or retirement. The first instalment shall be paid within a Fortnight, and the second instalment at the end of a year after the date of dismissal or retirement and the third and the fourth instalments shall be paid at the end respectively of six and twelve months after the payment of the second instalment. As regards the last three of these instalments, the Government of Manchoukuo shall issue bonds for the amounts due drawn up in the name of the respective persons and maturing on the dates prescribed above. These bonds shall be delivered to the respective recipients simultaneously with the payment of the first instalment above referred to and shall not be transferred thereafter to any other person.

Persons who have been in the service of the Railway for ten years or more shall be deemed entitled to pensions without undergoing the examination of their working efficiency, and the said pensions, instead of being paid annually, shall be paid in a block grant, that is to say, a sum eight and a half times the sum payable annually in respect of a pension shall be paid to the recipient in four equal instalments in the course of two years, in accordance with the provisions of the preceding paragraph.

Note. 1. The examination of the working efficiency of employees who have been in the service of the Railway for less than ten years will be effected according to the regulations of the North Manchuria Railway (Chinese Eastern Railway) in force up to the date of the coming into force of the present Agreement.

Note. 2. Pensions for personal injuries, instead of being paid annually, shall be paid in block grants, that is to say, a sum eight and a half times the sum payable annually shall be paid to the recipients in the same manner as for persons who have been in the service of the Railway for ten years or more.

4. Employees of the North Manchuria Railway (Chinese Eastern Railway) who are in debt to the Railway shall have the sum of their indebtedness deducted from the various descriptions of retiring allowances and other payments due to them.

5. The various descriptions of retiring allowances and payments shall be paid in the currency of Manchoukuo at the exchange rate against the rouble of the North Manchuria Railway (Chinese Eastern Railway) existing at the date of the coming into force of the present Agreement and applied by the said Railway for settlements with their employees. The recipients of these retiring allowances and payments shall be allowed to remit the money they have received to other countries after having converted it into foreign currency.

6. The various descriptions of retiring allowances and payments and the bonds of the Government of Manchoukuo shall be paid or delivered to the legal recipients direct, but persons who have returned to the territory of the Union of Soviet Socialist Republics can empower the Consul General of the Union of Soviet Socialist Republics in Harbin or any other person to receive them. Persons who have given such authority shall at the same time inform the North Manchuria Railway (Chinese Eastern Railway) to that effect.

7. Those persons who have retired before the coming into force of the present Agreement and are now being paid pensions shall continue to receive the pensions as previously in accordance with the regulations of the North Manchuria Railway (Chinese Eastern Railway) in force up to the date of the coming into force of the present Agreement, irrespective of whether the said regulations shall remain in force, be modified or abrogated there after. In this case Section 5 of the present Article shall be applied as regards the exchange rate against the rouble of the North Manchuria Railway (Chinese Eastern Railway, and in case the legal recipients should be returning or should have returned to the territory of the Union of Soviet Socialist Republics, as regards remittances to other countries.

8. The sums which are to be paid out by the Administration or the Relief Savings Association of the North Manchuria Railway (Chinese Eastern Railway) to employees who are citizens of the Union of Soviet Socialist Republics and of which neither the legal recipients nor their proxies or successors have demanded payment up to the date of the coming into force of the present Agreement, shall be disposed of in accordance with the regulations of the North Manchuria Railway (Chinese Eastern Railway) in force up to the date of the coming into force of the present Agreement.

9. Employees who have been dismissed or have retired after the

coming into force of the present Agreement shall, during a period of one month from the date of their dismissal or retirement, retain their full rights with regard to their railway lodgings under the same conditions as before.

ARTICLE XII

It is understood that the term ‘North Manchuria Railway (Chinese Eastern Railway)” includes all the rights, enterprises and properties appurtenant thereto.

ARTICLE XIII

The Governments of Manchoukuo and the Union of Soviet Socialist Republics, with a view to promote and facilitate the intercourse and traffic between the two countries, shall conclude, within three months from the date of the coming into force of the present Agreement, a separate agreement which will provide for the settlement of questions concerning the conveyance of passengers, luggage and goods in transit, direct service for passengers, luggage and goods between railway stations of the Union of Soviet Socialist Republics and those of the North Manchuria Railway (Chinese Eastern Railway), and also, technical conditions permitting, direct services without reloading of goods between the Ussuri Railway and the North Manchuria Railway (Chinese Eastern Railway) via the station of Suifenho.

Within the period of the said three months, the two Governments shall conclude another separate agreement which will provide for telegraphic connection between the telegraphic lines hitherto operated by the North Manchuria Railway (Chinese Eastern Railway) and those of the Union of Soviet Socialist Republic.

ARTICLE XIV

The present Agreement shall come into force on the date of its signature.

In witness where the respective Plenipotentiaries have signed the present Agreement and have affixed thereto their seals.

Done in duplicate in the English language in the City of Tokyo, this twenty third day of the third month of the second Year of Kangte, corresponding to the twenty third day of March, 1935.

(L.S.) W. S. Y. Tinge
(L.S.) Chuichi Ohashi
(L.S.) Wu Tse-sheng
(L.S.) Constantin Constantinovitch Youreneff
(L.S.) Benedict Ignatievitch Koslovsky
(L.S.) Stepan Matveievitch Kuznetsoff

Final Protocol

In proceeding this day to the signature of the Agreement between Manchoukuo and the Union of Soviet Socialist Republics for the Cession to Manchoukuo of the Rights of the Union of Soviet Socialist Republics concerning the North Manchuria Railway (Chinese Eastern Railway), the Plenipotentiaries of Manchoukuo and the Union of Soviet Socialist Republics have agreed upon the following stipulations:

ARTICLE I

1. It is understood that the handing over of archieves, records, papers and documents as stipulated in Section I of Article III of the Agreement is not intended to involve anything in the nature of rendering accounts.

2. Whereas the new administration of the Railway is at liberty whether to adopt or not the advice given by the advisers mentioned in Section 2 of Article III of the Agreement, the said advice can on no occasion result in any responsibility being imposed on the Government of the Union of Soviet Socialist Republics or on these persons.

ARTICLE II

The stipulation of Article V of the Agreement concerning the property which is to be placed under the occupation and management of the community of the citizens of the Union of Soviet Socialist Republics in Harbin shall not in any way preclude the application of the law of Manchoukuo as to the said property, its occupation and management.

ARTICLE III

The Government of Manchoukuo agree to grant subsidies, in the same manner as up to the date of the coming into force of the Agreement, to schools which are under the management of the 4th Section of the Educational Department of the Office of Pin-Chiang Province and used for the education of children of the employees of the North Manchuria Railway (Chinese Eastern Railway) who are citizens of the Union of Soviet Socialist Republics, for the months after the coming into force of the Agreement.

ARTICLE IV

The school inventory purchased from funds supplied by the parents who are citizens of the Union of Soviet Socialist Republics, as well as the stage appurtenances acquired by the former Vice-Chairman of the Board of Directors of the North Manchuria Railway (Chinese Eastern Railway), are to be turned over to the Consul General of the Union of Soviet Socialist Republics in Harbin as property not belonging to the North Manchuria Railway (Chinese Eastern Railway).

ARTICLE V

The Government of Manchoukuo take no exception to the liquidation of the cooperative society of the employees of the North Manchuria Railway (Chinese Eastern Railway) in accordance with its Articles and will permit certain members of the society who are citizens of the Union of Soviet Socialist Republics and whose presence is required for the purposes of such liquidation to remain in Manchoukuo till the completion thereof.

ARTICLE VI

Until the conclusion within the prescribed period of the separate agreement concerning the telegraphic connection provided for in Article XIII of the Agreement, the status quo of such connections shall be maintained.

The present Final Protocol shall constitute an integral part of the above-mentioned Agreement and come into force simultaneously with the said Agreement.

Done in duplicate in the English language in the City of Tokyo, this twenty third day of the third month of the second year of Kangte, corresponding to the twenty third day of March, 1935.

(L.S.) W. S. Y. Tinge
(L.S.) Chuichi Ohashi
(L.S.) Wu Tse-sheng
(L.S.) Constantin Constantinovitch Youreneff
(L.S.) Benedict Ignatievitch Koslovsky
(L.S.) Stepan Matveievitch Kuznetsoff

Protocol.

Whereas the Agreement between Manchoukuo and the Union of Soviet Socialist Republics for the Cession to Manchoukuo of the Rights of the Union of Soviet Socialist Republics concerning the North Manchuria Railway (Chinese Eastern Railway) was signed at Tokyo on March 23rd, 1935;

Whereas the said Agreement provides that the settlement for a certain portion of the sum to be paid by the Government of Manchoukuo to the Government of the Union of Soviet Socialist Republics in consideration of the said cession shall be effected in the form of payments made by the former Government for goods to the latter Government;

Whereas the said Agreement also provides with regard thereto that the Trade Representation of the Union of Soviet Socialist Republics in Japan will purchase goods produced or manufactured in Japan or Manchoukuo from the subjects or juridical persons of either of these two countries;

Whereas it is essential that transactions between the said Trade Representation and the subjects or juridical persons of Japan or Manchoukuo be fairly and normally conducted; and

Whereas the Government of Japan are ready to contribute in a spirit of goodwill to the fulfilment of the aforesaid Agreement;

Now the Governments of Japan, Manchoukuo and the Union of Soviet Socialist Republics have agreed upon the following Articles:—

ARTICLE I

When the Trade Representation of the Union of Soviet Socialist Republics purchases goods produced or manufactured in Japan or Manchoukuo from the subjects or juridical persons of either of these two countries in accordance with Article IX of the Agreement between Manchoukuo and the Union of Soviet Socialist Republics for the Cession to Manchoukuo of the Rights of the Union of Soviet Socialist Republics concerning the North Manchuria Railway (Chinese Eastern Railway), the Governments of Japan and Manchoukuo shall afford all possible facilities and assistance to the Trade Representation in order that the negotiations conducted may be fair and normal in such a manner as to ensure the conclusion of the purchase contracts within six months from the date of the coming into force of the above-mentioned Agreement and that the purchase contracts may be fulfilled exactly.

It is understood that in the present Protocol the terms "goods manufactured in Japan or Manchoukuo" and "juridical persons of Japan or Manchoukuo" are respectively used in the meaning given by Article IX of the above-mentioned Agreement.

ARTICLE II

The Government of Japan and the Government of Manchoukuo declare that they are prepared to take necessary measures through the authorities concerned, in order that the subjects or juridical persons as aforesaid, in their negotiations for contracts with the Trade Representation, may not ask for unduly high prices, thereby making the conclusion of contracts impossible.

The Government of the Union of Soviet Socialist Republics declare that they are prepared to take necessary measures with the Trade Representation, so that the Trade Representation, in its negotiations for contracts with subjects or juridical persons of Japan or Manchoukuo, may not ask for unduly low prices, thereby making the conclusion of contracts impossible.

ARTICLE III

In the negotiations for the conclusion of a purchase contract, in case the Trade Representation and the subjects or juridical persons of Japan or Manchoukuo cannot come to an agreement with regard to the price of the goods as well as any other terms of payment for and delivery of the goods, the parties to the negotiations can jointly or independently apply for mediation regarding the disagreement to the Standing Mediation Commission, which shall be constituted within ten days after the coming into force of the present Protocol and which shall consist of one commissioner appointed by the Government of Japan, one by the Government of Manchoukuo and two by the Government of the Union of Soviet Socialist Republics.

The Mediation Commission, when they have received such an application, shall come to what they deem a fair opinion and shall recommend either or both parties to the negotiations to conclude a contract in accordance with the said opinion. In the case of an application with regard to the price of the goods, the Commission in deciding such opinion shall adopt as the standard the price of such goods at the appropriate Exchange in Japan or Manchoukuo, or in the absence of any such price, the export price, or, in default of any export price, the wholesale price, obtaining in the principal appropriate market of Japan or Manchoukuo, as the case may be, while with regard to goods the price of which cannot be fixed on the basis of the price at the Exchange, the export price or the wholesale price as above-mentioned, the Commission shall fix a fair price on the basis of the whole of the information available with regard to those goods.

The consideration of every case by the Mediation Commission shall be completed within the term of six weeks from the day they have received the application.

ARTICLE IV

In case the Trade Representation and the subjects or juridical persons of Japan or Manchoukuo find themselves in disagreement as regards the fulfilment of obligations provided for by the purchase contract concluded between them, the parties can apply jointly or independently for mediation regarding the disagreement to the Mediation Commission mentioned in the first paragraph of Article III, provided that the contract includes a provision to the effect that either party can present such an application.

The Mediation Commission, when they have received such an application, shall examine the provisions of the contract concerned and all matters relative to the disagreement and shall arrive at what they deem a fair opinion, and recommend to either or both parties to settle the disagreement in accordance with the said opinion.

The term for consideration of the question by the Mediation Commission in the circumstances of the present Article shall be the same as in the case of Article III.

ARTICLE V

In case the Mediation Commission cannot come to a decision within the prescribed term for consideration or should the decision arrived at fail to remove the difficulties within the term of two weeks, the matter shall be transferred, upon the application of either or both parties to the disagreement, to negotiation between the Contracting Governments concerned, for a fair and appropriate solution, provided that there exists an agreement in advance between the parties to that effect.

ARTICLE VI

It is understood that should both parties concerned so desire, an agreement may be laid down in the contract or otherwise providing that the decision arrived at by the Mediation Commission or through negotiation between the Contracting Governments concerned in conformity with the provisions of Article III, IV and V of the present Protocol shall be binding upon both parties, in which case such decision shall take effect in the manner contemplated by the said agreement.

ARTICLE VII

The present Protocol shall come into force on the date of its signature.

In witness whereof the undersigned, duly authorized by their respective Governments, have signed the present Protocol and have affixed thereto their seals.

Done in triplicate in the English language in the City of Tokyo, this twenty third day of the third month of the tenth year of Showa, corresponding to the twenty-third day of the third month of the second year of Kangte, corresponding to the twenty-third day of March, 1935.

(L.S.) W. S. Y. Tinge
(L.S.) Chuichi Ohashi
(L.S.) Wu Tse-sheng
(L.S.) Koki Hirota
(L.S.) Constantin Constantinovitch Youreneff
(L.S.) Benedit Ignatievitch Koslovsky
(L.S.) Stepan Matveievitch Kuznetsoff

Tokyo, 23rd, March, 10 Showa (1935).

Monsieur M'Ambassadeur.

In accordance with the desire expressed by Your Excellency on behalf of the Government of the Union of Soviet Socialist Republics in the course of the negotiations concerning the conclusion of the Agreement for the Cession to Manchoukuo of the Rights of the Union of Soviet Socialist Republics concerning the North Manchuria Railway (Chinese Eastern Railway), signed this day by the Plenipotentiaries of the Union of Soviet Socialist Republics and Manchoukuo, I have the honour to inform You as follows:

> In view of the close and special relations existing between Japan and Manchoukuo, the Japanese Government undertake to guarantee the exact fulfilment by the Government of Manchoukuo, within the respective limits of time set forth by the above-mentioned Agreement, of all the obligations of payment, in money as well as in goods, which the Government of Manchoukuo are under in favour of the Government of the Union of Soviet Socialist Republics as the result of such cession in accordance with Article VII of the said Agreement.

I avail myself of this opportunity to renew to Your Excellency, Monsier l'Ambassadeur, the assurances of my highest consideration.

Tokyo, 23rd, March, 1935.

Monsieur le Ministre,

I have the honour to acknowledge the receipt of Your Excellency's Note of to-day's date, in which you are good enough to inform me as follows:

> "In accordance with the desire expressed by Your Excellency on behalf of the Government of the Union of Soviet Socialist Republics in the course of the negotiations concerning the conclusion of the Agreement for the Cession to Manchoukuo of the Rights of the Union of Soviet Socialist Republics concerning the North Manchuria Railway (Chinese Eastern Railway), signed this day by the Plenipotentiaries of the Union of Soviet Socialist Republics and Manchoukuo, I have the honour to inform you as follows:
>
> > In view of the close and special relations existing between Japan and Manchoukuo, the Japanese Government undertake to guarantee the exact fulfilment by the Government of Manchoukuo, within the respective limits of time set forth by the above-mentioned Agreement, of all the obligations of payment, in money as well as in goods, which the Government of Manchoukuo are under in favour of the Government of the Union of Soviet Socialist Republics as the result of such cession in accordance with Article VII of the said Agreement."

In reply, I beg to state that I take note of your communication as above mentioned.

I avail myself of this opportunity to renew to your Excellency,

Monsieur le Ministre, the assurances of my highest consideration.

Tokyo, 23rd, March, 10 Showa (1935).

Monsieur l'Ambassadeur.

As the result of the guarantee given this day by the Japanese Government to the Government of the Union of Soviet Socialist Republics regarding the fulfilment by the Government of Manchoukuo of all the obligations of payment which the latter are under in favour of the Government of the Union of Soviet Socialist Republics in accordance with the provisions of the Agreement for the Cession to Manchoukuo of the Rights of the Union of Soviet Socialist Republics concerning the North Manchuria Railway (Chinese Eastern Railway), signed this day by the Plenipotentiaries of the Union of Soviet Socialist Republics and Manchoukuo, I have the honour to inform Your Excellency as follows:

> In case any difficulties should arise in connection with the execution of Payments on the part of the Government of Manchoukuo, the Japanese Government will make every effort necessary under the given circumstances in order that the Government of the Union of Soviet Socialist Republics may receive all the payments due to them from the Government of Manchoukuo wholly and within the respective limits of time prescribed by the said Agreement, so that the Government of the Union of Soviet Socialist Republics may suffer absolutely no loss in connection with the said difficulties.

I avail myself of this opportunity to renew to Your Excellency, Monsieur l'Ambassadeur, the assurances of my highest consideration.

Tokyo, 23rd, March, 1935.

Monsieur le Ministre.

I have the honour to acknowledge the receipt of Your Excellency's Note of to-day's date, in which you are good enough to inform me as follows:

> "As the result of the guarantee given this day by the Japanese Government to the Government of the Union of Soviet Socialist Republics regarding the fulfilment by the Government of Manchoukuo of all the obligations of payment which the latter are under in favour of the Government of the Union of Soviet Socialist Republics in accordance with the provisions of the Agreement for the Cession to Manchoukuo of the Rights of the Union of Soviet Socialist Republics concerning the North Manchuria Railway (Chinese Eastern Railway), signed this day by the Plenipotentiaries of the Union of Soviet Socialist Republics and Manchoukuo, I have the honour to inform Your Excellency as follows:

> In case any difficulties should arise in connection with the execution of payments on the part of the Government of Manchoukuo, the Japanese Government will make every effort necessary under the given circumstances in order that the Government of the Union of Soviet Socialist Republics may receive all the payments due to them from the Government of Manchoukuo wholly and within the respective limits of time prescribed by the said Agreement, so the Plenipotentiaries of the Union of Soviet Socialist Republics may suffer absolutely no loss in connection with the said difficulties."

In reply, I beg to state that I take note of your communication as above mentioned.

I avail myself of this opportunity to renew to Your Excellency, Monsieur le Ministre, the assurances of my highest consideration.

Tokyo, 23rd, March, 10 Showa (1935).

Monsieur l'Ambassadeur,

In accordance with the desire expressed by Your Excellency on behalf of the Government of the Union of Soviet Socialist Republics in the course of the negotiations concerning the conclusion of the Agreement for the Cession to Manchoukuo of the Rights of the Union of Soviet Socialist Republics concerning the North Manchuria Railway (Chinese Eastern Railway), signed this day by the Plenipotentiaries of the Union of Soviet Socialist Republics and Manchoukuo, I have the honour to inform you as follows:

> In view of the close and special relations existing between Japan and Manchoukuo, the Japanese Government undertake to guarantee the exact fulfilment by the Government of Manchoukuo, within the respective limits of time set forth by the above-mentioned Agreement, of all the obligations of payment, in money as well as in goods, which the Government of Manchoukuo are under in favour of the Government of the Union of Soviet Socialist Republics as the result of such cession in accordance with Article VII of the said Agreement.

I avail myself of this opportunity to renew to Your Excellency, Monsieur l'Ambassadeur, the assurances of my highest consideration.

Tokyo, 23rd, March, 1935.

Monsieur le Ministre.

I have the honour to acknowledge the receipt of Your Excellency's Note of to-day's date, in which you are good enough to inform me as follows:

> "In accordance with the desire expressed by Your Excellency on behalf of the Government of the Union of Soviet Socialist Republics in the course of the negotiations concerning the conclusion of the Agreement for the Cession to Manchoukuo of the Rights of the Union of Soviet Socialist Republics concerning the North Manchuria Railway (Chinese Eastern Railway), signed this day by the Plenipotentiaries of the Union of Soviet Socialist Republics and Manchoukuo, I have the honour to inform you as follows:

> In view of the close and special relations existing between Japan and Manchoukuo Governments, the Japanese Government undertake to guarantee the exact fulfilment by the Government of Manchoukuo, within the respective limits of time set forth by the above mentioned Agreement, of all the obligations of payment, in money as well as in goods, which the Government of Manchoukuo are under in favour of the Government of the Union of Soviet Socialist Republics as the result of such cession in accordance with Article VII of the said Agreement."

In reply, I beg to state that I take note of your communication as above mentioned.

I avail myself of this opportunity to renew to Your Excellency, Monsieur le Ministre, the assurances of my highest consideration.

Tokyo, 23rd, March, 10 Showa (1935).

Monsieur l'Ambassadeur,

As the result of the guarantee given this day by the Japanese Government to the Government of the Union of Soviet Socialist Republics regarding the fulfilment by the Government of Manchoukuo of all the obligations of payment which the latter are under in favour of the Government of the Union of Soviet Socialist Republics in accordance with the provisions of the Agreement for the Cession to Manchoukuo of the Right of the Union of Soviet Socialist Republics concerning the North Manchuria Railway (Chinese Eastern Railway), signed this day by the Plenipotentiaries of the Union of Soviet Socialist Republics and Manchoukuo, I have the honour to inform Your Excellency as follows:

> In case any difficulties should arise in connection with the execution of payments on the part of the Government of Manchoukuo, the Japanese Government will make every effort necessary under the given circumstances in order that the Government of the Union of Soviet Socialist Republics may receive all the payments due to them from Government of Manchoukuo wholly and within the respective limits of time prescribed by the said Agreement, so that the Government of the Union of Soviet Socialist Republics may suffer absolutely no loss in connection with the said difficulties.

I avail myself of this opportunity to renew to Your Excellency, Monsieur l'Ambassadeur, the assurances of my highest consideration.

Tokyo, 23rd, March, 1935.

Monsieur le Ministre,

I have the honour to acknowledge the receipt of Your Excellency's Note of to-day's date, in which you are good enough to inform me as follows:

> "As the result of the guarantee given this day by the Japanese Government to the Government of the Union of Soviet Socialist Republics regarding the fulfilment by the Government of Manchoukuo of all the obligations of Payment which the latter are under in favour of the Government of the Union of Soviet Socialist Republics in accordance with the provisions of the Agreement for the Cession to Manchoukuo of the Rights of the Union of Soviet Socialist Republics concerning the North Manchuria Railway (Chinese Eastern Railway), signed this day by the Plenipotentiaries of the Union of Soviet Socialist Republics and Manchoukuo, I have the honour to inform Your Excellency as follows:
>
> > In case any difficulties should arise in connection with the execution of payments on the part of the Government of Manchoukuo, the Japanese Government will make every effort necessary under the given circumstances in order that the Government of the Union of Soviet Socialist Republics may receive all the payments due to them from the Government of Manchoukuo wholly and within the respective limits of time prescribed by the said Agreement, so that the Government of the Union of Soviet Socialist Republics may suffer absolutely no loss in connection with the said difficulties."

In reply, I beg to state that I take note of your communication as above mentioned.

I avail myself of this opportunity to renew to Your Excellency, Monsieur le Ministre, the assurances of my highest consideration.

Prison Law

(April 1, 1935)

The organization law of prisons was promulgated by Imperial Ordinance No. 32 April 1, 1935:

An official translation of the new prison law follows:

ARTICLE I

The prisons shall come under the supervision of the minister of justice.

ARTICLE II

When he deems it necessary, the minister of justice may establish sub-prisons.

ARTICLE III

The entire personnel of the various prisons shall be composed of the following members:

Twenty-nine instructors (Chiaowukuan) of the grade of delegated appointment;

Eight health experts (Pochienchitso) of the grade of recommended appointment;

Thirty assistant-governors (Tienyutso) of the delegated appointment (eight of whom may be of the grade of recommended appointment);

Twenty-nine instructors (Chiaowukuan) of the grade of delegated appointment;

One hundred fifty-seven chief warders (Kanschouchang) of the grade of delegated appointment.

In addition to the above personnel, the prisons shall have chief warders who shall be in charge of general affairs, (Chujenkanshou) and warders (Kanshou), all of whom shall be treated as officials of the grade of delegated appointment.

ARTICLE IV

Prison superintendents shall be appointed from among the governors.

Sub-prison superintendents shall be appointed from among the assistant governors of the chief warders.

ARTICLE V

The prison superintendents shall, under the direction and supervision of the minister of justice, administer the affairs of their respective prisons, and direct and supervise their subordinate officials.

They shall also, by their decisions, execute all matters concerning the promotion and degradation of chief warders or warders.

ARTICLE VI

The sub-prison superintendents shall administer the affairs of their respective sub-prisons, and direct and supervise their subordinate officials, under the direction and supervision of prison superintendents.

ARTICLE VII

The health expert shall take charge of all matters concerning the medical examination and treatment of prisoners, and matters concerning prison sanitation.

ARTICLE VIII

Those assistant-governors, who are not sub-prison superintendents, shall attend to prison affairs under the direction of their superior officials.

ARTICLE IX

The instructors shall, under the direction of their superior officials, take charge of all matters concerning the building of character and education of prisoners.

ARTICLE X

Those chief warders, who are not sub-prison-superintendents, shall attend to prison duties under the direction of their superior officials.

ARTICLE XI

Regulations concerning the regular numbers of chief warders and warders, their duties and discipline, shall be determined by the minister of justice.

ARTICLE XII

The allotment of prison duties shall be determined by the minister of justice.

ARTICLE XIII

The names and locations of the prisons shall be as listed in a separate table.

SUPPLEMENTARY

The present law shall come into force on May 1, 2nd year of Kangte.

As for all existing prisons excepting those that are listed in the following table, and excluding those that have become sub-prisons in accordance with the provision of Article 11 of the present law, all affairs relating to such prisons shall, for the time being, be dealt with in accordance with the practice obtaining hitherto.

The table of the names and locations of prisons follows:

Name	*Location*
Hsinking Prison	Hsinking Special Municipality;
Kirin Prison	Kirin City, Kirin Province;
Lungkiang Prison	Tsitsihar City, Lungkiang Province;
Paichuan Prison	Paichuan-hsien, Lungkiang Province;
Taonan Prison	Taonan-hsien, Lungkiang Province;
Ilan Prison	Ilan-hsien Sankiang Province;
Pinkiang Prison	Harbin Special Municipality;
Hulan Prison	Hulan-hsien, Pinkiang Province;
Yenki Prison	Yenki-hsien, Chientao Province;
Antung Prison	Antung-hsien, Antung Province;
Mukden Prison	Mukden City, Fengtien Province;
Fushun Prison	Fushun-hsien, Fengtien Province;
Liaoyang Prison	Liaoyang-hsien, Fengtien Province;
Yingkow Prison	Yingkow-hsien, Fengtien Province;
Fuchow Prison	Wafangtien, Fu-hsien, Fengtien Province;
Tiehling Prison	Tiehling-hsien, Fengtien Province;
Liaoyuan Prison	Chengchiatun, Liaoyang-hsien, Fengtien Province;
Sian Prison	Sian-hsien, Fengtien Province;
Changtu Prison	Changtsu-hsien, Fengtien Province;
Hailung Prison	Hailung-hsien, Fengtien Province;
Hsinking Prison	Hsinking-hsien, Fengtien Province;
Chinchow Prison	Chin-hsien, Chinchow Province;
Chengteh Prison	Chengteh-hsien, Jehol Province.

Revision of the Organization Law of the Monopoly Bureau

The Organization Law of the Monopoly Bureau has been revised as follows:

ARTICLE I

The General Monopoly Bureau shall come under the supervision of the Minister of Finance, and shall take charge of matters pertaining to the oil and opium monopolies.

ARTICLE II

The staff of the General Monopoly Bureau shall be composed of the following members:

One Director—Grade of Selected Appointment;
One Vice-Director—Grade of Selected or Recommended Appointment;
Five Directing-Secretaries (Lishihkuan)—Grade of Recommended Appointment;
Two Chief Technical Experts (Chicheng)—Grade of Recommended Appointment;
(1. See Ordinance No. 104, Bulletin No. 16, Nov. 7, 1932).
Nine Secretaries (Shiwukuan)—Grade of Recommended Appointment;
Two Assistant Chief Technical Experts (Chitso)—Grade of Recommended Appointment;
Fifty-four Subordinate Officials (Shukuan)—Grade of Delegated

Appointment;

Seven Technical Experts (Chishih)—Grade of Delegated Appointment.

ARTICLE III

The Director shall, under the direction and supervision of the Minister of Finance, superintend the affairs of the said Bureau, and supervise the Directors of the Monopoly Bureaux, the Chief of the Branch Monopoly Offices and the Director of the Monopoly Manufactory.

ARTICLE IV

The Director of the General Monopoly Bureau may cancel such acts of disposition of any Director in charge of a Monopoly Bureau as are deemed to be contrary to established laws and orders.

ARTICLE V

The Director of the General Monopoly Bureau shall direct and supervise its officials. He shall also lay before the Minister of Finance all matters relating to the promotion, degradation, reward and punishment of officials of or above the Grade of Recommended Appointment; such matters affecting officials of or below the Grade of Delegated Appointment, however, shall be determined by the Director himself.

ARTICLE VI

The Vice-Director shall assist the Director, and shall act in his stead when he is unable to discharge his duties.

ARTICLE VII

The Directing-Secretaries and Secretaries shall take charge of office work by order of their superior officials.

ARTICLE VIII

The Chief Technical Experts and the Assistant Chief Technical Experts shall take charge of technical affairs by order of their superior officials.

ARTICLE IX

The Subordinate Officials shall engage in general office work by order of their superior officials.

ARTICLE X

The Technical Experts shall attend to technical affairs by order of their superior officials.

ARTICLE XI

The divisions of the General Monopoly Bureau shall be determined by the Minister of Finance.

SUPPLEMENTARY

The present Ordinance shall come into force on the date of its promulgation.

All persons, excepting these working in the Monopoly Bureau or the Monopoly Manufactory, who actually hold positions mentioned in the first column of the following table at the time of enforcement of the present Ordinance, and to whom no official notices of appointment have been given, shall be regarded as having been appointed to the corresponding positions given in the second column, with the same official ranks and grades of salary as formerly.

Director of the Monopoly Bureau	Director of the General Monopoly Bureau
Vice-Director of the Monopoly Bureau	Vice-Director of the General Monopoly Bureau
Directing-Secretaries of the Monopoly Bureau	Directing Secretary of the General Monopoly Bureau
Chief Technical Experts of the Monopoly Bureau	Chief Technical Expert of the General Monopoly Bureau
Secretary of the Monopoly Bureau	Secretary of the General Monopoly Bureau
Assistant Chief Technical Expert of the Monopoly Bureau	Assistant Chief Technical Expert of the General Monopoly Bureau
Subordinate Official of the Monopoly Bureau	Subordinate Official of the General Monopoly Bureau
Technical Official of the Monopoly Bureau	Technical Expert of the General Monopoly Bureau

Japan-Manchoukuo Economic Commission Agreement (July 15, 1935)

An unofficial translation of the Japan-Manchoukuo Economic Commission agreement as released by the Foreign Office follows:—

Whereas the Governments of Japan and Manchoukuo entertain a desire to realize the rational co-ordination of the economics of the two countries with the purpose of permanently consolidating the relationship of economic interdependence now existing between Japan and Manchoukuo; and whereas the two Governments have recognized the need of achieving a full and close co-operation, among other matters, in important economic questions affecting the two countries in accordance with the principles of the Protocol of Japan and Manchoukuo signed on the Fifteenth day of the Ninth month of the Seventh year of Showa, corresponding to the Fifteenth day of the Ninth month of the First year of Tatung:

Now the two Governments, having resolved to establish a Japan-Manchoukuo Joint Economic Commission have agreed as follows:

Article 1

A Japan-Manchoukuo Joint Economic Commission shall be established at Hsinking in Manchoukuo.

Article 2

The Commission may be consulted by the Government of Japan and Manchoukuo as to important matters regarding the inter-relation of the economics of the two countries as well as important matters regarding the supervision of the management of special companies set up as Japanese-Manchoukuo joint enterprises and shall then submit its views thereon to the two Governments.

Article 3

The Governments of Japan and Manchoukuo shall take no measures regarding such matters as are specified in the preceding Article unless they have previously consulted the Commission regarding them and have obtained its views thereon.

Article 4

The Commission may, when necessary, make recommendations to the Governments of Japan and Manchoukuo in regard to all matters pertaining to the rational co-ordination of the economics of the two countries.

Article 5

The organization and operation of the Commission shall be regulated by the Annex to the present Agreement.

Article 6

The present Agreement shall be put into effect on the day of its signature.

The present Agreement has been drawn up in the Japanese and the Chinese language, and should any difference arise in regard to interpretation between the Japanese and the Chinese texts, the Japanese text shall prevail.

In witness whereof the undersigned duly authorized by their respective Governments, have signed the present Agreement and have affixed their seals thereto.

Done at Hsinking, the Fifteenth day of the Seventh month of the Tenth year of Showa, corresponding to the Fifteenth day of the Seventh month of the Second year of Kangte.

(L.S.) JIRO MINAMI,
Ambassador Extraordinary and Plenipotentiary
of H.M. the Emperor of Japan

(L.S.) CHANG YEN-CHING,
Minister for Foreign Affairs of Manchoukuo

Annex

1. The Commission shall be composed of eight Members, of whom the Governments of Japan and Manchoukuo shall each appoint four and shall respectively inform the other Government of their appointments. In the event of any Member being prevented from attending any meeting of the Commission on account of unavoidable circumstances, the Japanese Ambassador to Manchoukuo and the Prime Minister of Manchoukuo shall consult each other in the nomination of a deputy and the said deputy shall attend the meeting. The said deputy shall act in the name of the absent Member.

Besides the Members mentioned in the preceding Paragraph, the Governments of Japan and Manchoukuo, when necessary, may, upon consultation, each appoint an equal number of Temporary Members.

2. The President shall be elected by the Members of the Commission from among their number.

3. There shall be a certain number of Secretaries of the Commission. They shall deal with the secretarial affairs of the Commission.

The Governments of Japan and Manchoukuo shall each appoint an equal number of Secretaries from among those attached to the Members of the Commission.

4. The proceedings of the Commission shall be decided by a majority vote. In the event of an equality of votes, the President shall decide.

The President shall not be prevented from voting as a Member of the Commission.

5. The Commission shall adopt its own Rules of Procedure subject to the approval of the Governments of Japan and Manchoukuo.

Mining Law

Promulgated August 1, (1935)

Unofficial Translation

CHAPTER I

General Provisions.

ARTICLE 1

The term mining as used in the present Law shall include exploitation of minerals and all enterprises related to such exploitation of minerals.

ARTICLE 2

The term minerals as used in the present Law shall include gold ore, silver ore, platinum ore, copper ore, lead ore, zinc ore, tin ore, iron ore, antimony ore, aluminium ore, nickel ore, cobalt ore, iron sulphate ore, chromite ore, manganese ore, bismuth ore, scheelite ore, molybdenum ore, mercury ore, arsenic ore, phosphorus ore, sulphur, graphite, coal, petroleum (including combustible natural gas closely related to oil-bearing stratas), asphalt, oil shale, limestone, dolomite magnesite, fluorspar, felspar, fire clay, barite, saltpetre, gypsum, silica, talc, asbestos and mica.

ARTICLE 3

All minerals (including dross and duffers) not yet mined shall belong to the State.

ARTICLE 4

No person other than a subject of Manchoukuo or a juridical person created in accordance with the laws and regulations of Manchoukuo shall become a holder of a mining right. The foregoing provision, however, shall not apply to those who have secured special permission from the Minister of Industry.

ARTICLE 5

No one shall carry on exploitation of minerals on the surface of land or under ground within sixty metres from a municipal boundary, railways, tracks, roads, water works, canals, rivers and lakes, swamps, embankments, grounds or mausolea, shrines or temples, cemeteries, parks or buildings and other establishments, without permission of the proper authorities concerned and also of the owners of the land concerned and those holding interests therein.

The owners of the land concerned or those holding interests therein shall not refuse to grant the above mentioned permission without good reasons.

ARTICLE 6

The case mine-lots are duplicated, holders or lessees of the mining rights concerned shall have their respective rights to the mine-lots limited.

ARTICLE 7

All rights and obligations of the holder or lessee of a mining right as provided for in the present Law shall be transferred together with the mining right or leased mining right.

All rights and obligations of the holder or lessee of mining rights as provided for in the present Law shall be deemed as having been automatically transferred to the lessee or holder right. The preceding provision, however, shall not apply in case of termination of the leased mining right due to termination of the mining right itself.

ARTICLE 8

The prescribed acts of procedure or any other acts, performed in accordance with the provisions of the present Law shlal be binding upon a successor of a person who desires to apply for a mining permit, applicant, holder or lessee of a mining right, owner or holder of interests in the land concerned and other interested persons.

ARTICLE 9

In case it is deemed necessary for national defence or preservation of national resources, applications for mining may be restricted by designating the districts or minerals concerned by Imperial Ordinance.

ARTICLE 10

The Minister of Industry may, in accordance with proper orders, entrust a part of his power specified in the present Law to the Director of Mining Inspectorate.

ARTICLE 11

In the case of Hsingan Provinces, the Minister of Mongolia Administration and the governors of the several Hsingan Provinces shall stand, respectively, in place of the Minister of Industry and the Director of Mining Inspectorate in the present Law.

CHAPTER II

Mining Rights.

ARTICLE 12

Any holder of a mining right shall have the right to exploit and gain minerals within such mine-lots as are specified and alloted to him.

ARTICLE 13

A mining right shall be a real right and, unless regulated by provisions in the present Law, it shall be governed by the regulations concerning immovables.

ARTICLE 14

A mining right shall not be made the object of a right other than inheritance, transfer, attachment for non-payment of taxes, compulsory execution, mortgage and leased mining right.

ARTICLE 15

Joint mining applicants or joint holders of mining right shall respectively appoint representatives among themselves and notify the Director of Mining Inspectorate of such appointment. In case the parties concerned fail to give the above mentioned notice, the Director of Mining Inspectorate shall designate the representatives.

The representatives shall represent joint mining applicants or joint holders of mining right to the State.

Joint mining applicants or joint holders of mining right shall be regarded as having entered a partnership agreement.

ARTICLE 16

Any person who desires to carry on mining shall submit to the Minister of Industry a written application with a map of the desired mine-lot attached thereto.

ARTICLE 17

In case the Minister of Industry considers that the mining applied for is harmful to public interests or is without practical value, the said Minister shall not grant the application concerned.

ARTICLE 18

No more than one mining right shall be created in a given mine-lot. However, the foregoing provision may be disregarded in case the species of minerals mined are different and if mining of such minerals can be carried on separately without hindrance to each other or if the mining operations concerned come within the provisions of Article 42.

ARTICLE 19

In case two mining applications for the same specie of minerals in the same mine-lot are submitted, the application prior in time and date shall have a preference. In case, however, the above-mentioned applications are submitted at the same time, the Director of Mining Inspectorate shall fix a period and notify the two applicants to reach an agreement between themselves and report the same to the Inspectorate.

In case the above-mentioned applicants fail to make a report in accordance with the preceding provisions, the preferred applicant shall be chosen by means of drawing lots.

ARTICLE 20

In case two mining applications are submitted for different species of minerals within the same mine-lot, the Director of Mining Inspectorate shall fix a period and notify the two applicants to reach an agreement between themselves and report the same, if the said Inspectorate believes that the two mining operations cannot be conducted separately without hindrance to each other.

In case the applicants fail to make the report in accordance with the foregoing provisions, preference shall be given to the application submitted prior in time and date. However, in case the applications are submitted at the same time, the preferred applicant shall be chosen by means of drawing lots.

ARTICLE 21

In case any part of the area designated in a mining application duplicates with the then existing mine-lot for the same specie of minerals, such mining application for duplicating section or sections of the area shall be rejected.

ARTICLE 22

In case any part of the area designated in a mining application duplicates with the then existing mine-lots for the different species of minerals, such mining application for duplicating section or sections of the area shall be rejected, if the Minister of Industry deems that the two mining operations cannot be conducted separately within the said section or sections without hindrance to each other.

ARTICLE 23

In case a mining right is granted in accordance with the provisions of the preceding five Articles, the different species of minerals found within one and the same mineral-bearing stratum shall be deemed to be of one specie.

ARTICLE 24

In case the position and form of the mining area described in a mining application differ from the actual position and form of the mineral-bearing stratum concerned in such manner that the Minister of Industry deems that mining within such area will prove to be injurious to the mining interests of the State, the said Minister shall fix a period and order the mining applicant to revise the area shown in the application within the fixed period.

ARTICLE 25

The name of the applicant for a mining right may be changed.

If, however, the change of the name of the applicant is not reported to the Minister of Industry, such change shall not have legal effect.

ARTICLE 26

A mining applicant may apply for expansion or reduction of the mining area applied for.

The regulations governing mining applications shall apply mutatis mutandis to applications made in accordance with the provisions of the foregoing paragraph.

ARTICLE 27

The following matters shall be entered into the mining register:

1. Matters concerning the creation, transfer, change, termination and limitations upon disposal of mining rights;
2. Matters concerning the creation, transfer, change, termination and limitatons upon disposal of mortgages on mining rights;
3. Matters concerning the withdrawal of one or more of joint holders of mining rights.

The entries of the foregoing matters shall take the place of registrations.

Regulations concerning entries shall be prescribed by Imperial Ordinance.

ARTICLE 28

Matters coming under any one of the first paragraph of the foregoing Article shall not be legally effective unless proper entries are made, excepting the following two cases:

1. Transfer of a mining right by inheritance;
2. Withdrawal of joint holders of a mining right by death.

ARTICLE 29

In case limitations have been placed upon the disposal of a mining right, the holder of such right shall not relinquish the right.

ARTICLE 30

In case a mining right has been created by mistake, the Minister of Industry shall either fix a period and order the holder of such right to rectify his mining area within the fixed period or shall cancel such mining right.

ARTICLE 31

The Minister of Industry shall cancel all mining rights coming under any one of the following provisions:

1. In case certain mining is deemed to be harmful to public interests;
2. In case an order given in accordance with the provisions of Article 30 is disregarded;
3. In case an order given in accordance with the provisions of Article 41 is disregarded;
4. In case an order given in accordance with the provisions of paragraph 1 of Article 12 is disregarded.

ARTICLE 32

The Minister of Industry may cancel any mining right coming under any one of the following provisions:

1. In case the actual mining operations have not been undertaken, without good reasons, within one year following the date of entry of creation of the mining right concerned or in case actual mining operations have been suspended, without good reasons, for a continuous period of over one year;
2. In case the holder of a mining right disregards an order given in accordance with the provisions of Article 78;
3. In case mining operations are carried on in violation of the provisions of the second paragraph of Article 81;
4. In case any person who is neither a holder nor a lessee of a mining right is permitted to mine and gain minerals;
5. In case a holder of a mining right refuses or otherwise fails to pay the mining tax concerned.

ARTICLE 33

In case of an entry of the termination of a mining right, the Director of Mining Inspectorate shall immediately give notice of the fact to a mortgagee and lessee of the mining right concerned.

In case a mortgagee receives the above mentioned notice, he may apply, within the period fixed by the Director of Mining Inspectorate for a public sale of the mining right concerned. However, the foregoing provision shall not apply to the case of a termination of a mining right in accordance with the provisions of Article 30 or paragraph 1 of Article 31.

From the amount received from the aforementioned public sale, liabilities to the mortgagee and wages of the mining employees concerned shall be paid in the order mentioned and the balance remaining shall revert to the national treasury.

In case a lessee receive the notice mentioned in paragraph 1 of the present Article, he may apply within the period fixed by the Director of Mining Inspectorate for a transfer to him of the mining right concerned and when his application is accepted, he may become the holder of the said mining right. The foregoing provision, however, shall not apply if the mining right concerned is sold at a public sale in accordance with the provisions of paragraph 2 of the present Article or if the mining right has been terminated in accordance with the provisions of the latter of paragraph 2 of the present Article.

A mining right concerned shall be deemed to continue in force within the limit prescribed as an object of public sale or the leased mining right during the period fixed by the Director of Mining Inspectorate in accordance with the provisions of paragraphs 2 or 4 of the present Article or until the public sale is effected or until the entry of the transfer is made in accordance with the provisions of paragraph 4 of the present Article.

A mining right acquired by a successful bidder at a public sale or by a lessee of the mining right shall be deemed as having been transferred to the said bidder or lessee at the time of entry of the termination of the said right.

ARTICLE 34

Any person who has newly acquired a mining right in accordance with the provisions of the foregoing Article may offer for sale to the former holder of the said right, at market price, the buildings and other establishments constructed by the said former holder, for the purpose of carrying on mining operations and the latter shall not reject such an offer without good reasons.

CHAPTER III

Mine-Lot.

ARTICLE 35

A mine-lot is a specified area of land where the creation of a mining right has been entered in the register. A mnie-lot is limited in the land directly below the boundary line of surface area.

ARTICLE 36

A mine-lot shall consist of one unit of land, or two or more continuous units with any one side of each unit coinciding.

A unit of a mine-lot shall be a quadrilateral formed by the longitudinal and latitudinal lines. The position of each corner of the quadrilateral shall be determined by the minutes of longitude and latitude, and the two opposing sides shall be so situated as to have a difference by one minute both longitudinally and latitudinally.

ARTICLE 37

In case a mine-lot touches the national boundary line, or in case it is deemed particularly necessary due to the specie of minerals deposited or in case it is deemed that other unavoidable circumstances exist, such a mine-lot may be established in disregard of the provisions of the foregoing Article.

ARTICLE 38

Any holder of a mining right may apply to unite or divide his mine-lot, or to divide a portion of one mine-lot and add the said portion to another.

In case any holder of a mining right desires to file an application in accordance with the provisions of the foregoing paragraph, and if a mortgage or a leased mining right exists in connection therewith the applicant shall secure the approval of the mortgagee or lessee of the mining right and shall reach an agreement with such person regarding the right and interest concerned.

ARTICLE 39

Any holder of a mining right may apply for an expansion or reduction of his mine-lot or lots.

In case the holder of the mining right desires to file an application in accordance with the provisions of the foregoing paragraph, and if a leased mining right exists in connection therewith, the applicant shall secure in advance the approval of the lessee of the mining right.

In case the holder of the mining desires to file an application for the reduction of a mine-lot, and if a mortgage exists in connection therewith the applicant shall secure in advance the approval of mortgagee.

ARTICLE 40

The regulations governing the applications for mining shall apply mutatis mutandis to applications filed in accordance with the provisions of the preceding two Articles.

ARTICLE 41

In case the position and form of a mine-lot differ from the position and form of the mineral-bearing strata in such manner as the Minister of Industry deems that mining within such area will prove to be injurious to the mining interests, the said Minister shall fix a period and order the holder of the mining right concerned to rectify the mine-lot.

ARTICLE 42

In case the Minister of Industry, due to the position and form of mineral-bearing strata in a mine-lot, deems that the mining interests of the State cannot be protected unless the holder of the mining right concerned mines into an adjoining mine-lot, the said Minister shall consult the holder, lessee and mortgagee of the mining right interested in the adjoining mine-lot and may order the holder of the first mentioned mining right to revise his mine-lot.

The holder of a mining right who has revised his mine-lot in accordance with the provisions of the foregoing paragraph may exercise his right in the adjoining mine-lot only in so far as is necessary to protect the mining interests.

ARTICLE 43

The holder of the mining right of an adjoining mine-lot and other interested parties of such adjoining mine-lot may apply to the Director of Mining Inspectorate for permission to conduct an actual investigation within the mine-lot of another person.

Any holder of a mining right may apply to the Director of Mining Inspectorate for permission to conduct an actual investigation with regard to the boundary line of his own mine-lot.

The applicants as provided for in the foregoing two paragraphs shall bear the expenses incurred for such investigations.

CHAPTER IV

Leased Mining Right.

ARTICLE 44

Any lessee of a mining right has a right to mine and acquire minerals from a mine-lot concerned upon payment of royalty to the holder of mining right.

ARTICLE 45

No person other than a subject of Manchoukuo or a juridical person created in accordance with the laws and regulations of Manchoukuo shall become a lessee of a mining right. The foregoing provision, however, shall not apply to any person who has secured special permission from the Minister of Industry.

ARTICLE 46

A leased mining right is a real right and, unless regulated by the provisions of the present Law, regulations concerning immovables shall be applied mutatis mutandis.

ARTICLE 47

A leased, mining right shall not be made the object of any right other than inheritance, transfer, attachment for taxes in arrears, compulsory execution, and mortgage.

In case a lessee of a mining right desires to transfer his leased mining right or create mortgage, he shall obtain the approval of the holder of the mining right.

ARTICLE 48

The following matters shall be entered into the mining register:

1. Matters concerning the creation, transfer, change, termination and limitations upon disposal of a leased mining right;
2. Matters concerning the creation, transfer, change, termination and limitations upon disposal of mortgages on a leased mining right;
3. Matters concerning the withdrawal of one or more of the joint lessees of a mining right;

The entry of foregoing matters shall take the place of registrations.

Regulations concerning the above-mentioned entries shall be prescribed by Imperial Ordinance.

ARTICLE 49

Matters coming under any one of the provisions of the first paragraph of the foregoing Article shall not become legally effective unless proper entries are made, excepting the following cases:

1. Transfer of a leased mining right by inheritance;
2. Termination of the lease of mining right by expiration of the term;
3. Termination of the lease of a mining right due to termination of the mining right;
4. Withdrawal of one or more of the joint lessees of a mining right due to death.

ARTICLE 50

In case where the payment of royalties is calculated on the basis of a fixed term or the output mined, the rate of royalties is conspicuously out of proportion due to the fluctuation of prices of the mined minerals or to the increase or decrease of taxes or other assessments, or is disproportionate compared with the rate of royalties paid by a lessee of a mining right in the adjacent mine-lot, the lessee concerned may demand for the future an increase or decrease of such rates, irrespective of the terms of the contract.

ARTICLE 51

In case a lessee of a mining right fails to pay the royalties for over one year, the lessor may demand the termination of the leased right of mining.

ARTICLE 52

In case a lessee of a mining right fails to commence work within six months following the date of creation of or the date of entry of the transfer of the leased mining right or suspends the operations for a continuous period of over six months without good reasons, the holder of the mining right concerned may fix a reasonable period and demand the lessee to commence or resume the operations within the said period.

In case the lessee refuses to commence or resume the operations within the period fixed in accordance with the foregoing provisions, the holder of the mining right concerned may demand the termination of the leased mining right.

ARTICLE 53

The period of a leased mining right shall not exceed twenty years. In case the leased mining right has been established extending over twenty years, the period shall be reduced to twenty years.

The period of the leased mining right may be renewed. The renewed period, however, shall not exceed twenty years from the date of its renewal.

In case the period of the leased mining right was not fixed at the time of its creation, the period of such right shall be ten years.

ARTICLE 54

In case the holder of a mining right refuses to renew the period of the leased mining right, as requested by the lessee of the mining right in accordance with the provisions of the second paragraph of the preceding Article, the said lessee may demand the lessor to purchase at current price the land, establishments and other objects owned by the lessee for the purpose of mining. In such case the lessor shall not reject such demand without good reasons.

ARTICLE 55

In case a leased mining right is terminated, the holder of the mining right or a person who has newly acquired the leased mining right may demand the former lessee of the mining right to purchase at current price all the buildings and other establishments constructed and owned by the former lessee for mining purposes. In such case the former lessee shall not reject such demand without good reasons.

ARTICLE 56

In case a lessee of a mining right comes under any one of the following, the Minister of Industry may prohibit the said lessee from carrying on mining operations:

1. In case he disobeys the orders given in accordance with the provisions of Article 78;
2. In case he has carried on mining in violation of the provisions of the second paragraph of Article 81;
3. In case he allows any third person to mine or acquire minerals;
4. In case he fails to pay the mining taxes.

The leased mining right shall be terminated, in case mining is prohibited in accordance with the foregoing provisions.

ARTICLE 57

The provisions of Article 15, 29, 33, 34 and 43 shall apply mutatis mutandis to a leased mining right and the lessee of such right.

CHAPTER V

The Use and Expropriation of Land.

ARTICLE 58

The term indemnity as used in the present Chapter includes all prices and rents of land, and other forms of compensation for ordinary losses and damages sustained by land-owners and other persons interested therein.

ARTICLE 59

In case it is necessary for a person desiring to submit an application for mining an applicant, a holder of a mining right, or a lessee of a mining right, to enter the land of another to conduct surveys or investigations for submission of the application or for carrying on mining, such person shall obtain the approval of the Director of Mining Inspectorate.

A person who has obtained the above-mentioned approval may enter the land of another after due notice is given to the occupant of the said land.

ARTICLE 60

In case it is necessary for a person who has obtained the approval mentioned in paragraph 1 of the preceding Article to remove obstructions in order to conduct surveys and investigations, such reason shall obtain the approval of the Director of Mining Inspectorate.

A person who has obtained the above-mentioned approval from the said Director may remove the obstructions after giving due notice to the owner and occupant of the land concerned.

ARTICLE 61

In case of necessity for the purpose of preventing imminent dangers, a holder or lessee of a mining right may enter or use the land of another person.

In case the above-mentioned holder or lessee of a mining right has entered or used the land of another in accordance with the provisions of the foregoing paragraph, the said holder or lessee concerned shall notify, without delay, the occupant of the land concerned and report the matter to the Director of Mining Inspectorate.

ARTICLE 62

In case a person desiring to submit an application, an applicant, a holder or lessee of a mining right, who has entered or used the land of another or removed obstructions therefrom in accordance with the provisions of the foregoing three Articles, and when the owner of the land concerned and the interested person have sustained losses or damages thereby, the first mentioned persons shall pay indemnity to the latter mentioned persons.

ARTICLE 63

In case it is necessary to use the land of another for any one of the following purposes, a holder or lessee of a mining right shall secure authorization from the Director of Mining Inspectorate:

1. For boring and excavating;
2. For the creation of places to deposit minerals, earth and stones, explosive compounds, materials, fuel, dross and ashes;
3. For the construction of ore-dressing plants or smelters;
4. For the construction of railways, tracks, roads, canals, ditches, pipes and water-pipes, pools and wells, cable-ways, and telegraph and electric lines;
5. For construction works or construction of any other establishments necessary for mining.

The Director of Mining Inspectorate shall notify the owner of the land concerned and the person holding interest therein, when he has given authorization for the aforementioned matters.

After notice is issued relative to the aforementioned matters, the holder or the lessee of a mining right shall confer on the matters concerning the acquisition of right to the land with the owner of the land concerned and the person holding interests therein.

ARTICLE 64

In case the use of land extends to a period over three years or in case it is deemed that the said use will cause a change in form and nature of the land, the owner of the land may demand expropriation of the land by the holder or the lessee of mining right.

ARTICLE 65

In case the owner of the land, due to expropriation of a section of his land, is unable to use the remaining section for the same purpose as in the past, the said owner may demand expropriation of the entire land by the holder or lessee of the mining right.

ARTICLE 66

The holder or lessee of a mining right, who uses or expropriates the land of another, shall pay an indemnity for the losses or damages caused thereby to the owner of the land concerned and to the person holding interests therein. An indemnity shall also be paid for any decrease in the value of remaining land and for any loss to the remaining land caused by the use or expropriation of a section of land concerned.

ARTICLE 67

In case it becomes necessary for the owner of a land or the person holding interests therein to construct, rebuild or repair passages, ditches, fences and railings and other establishments, owing to the use or expropriation of another's land on the part of the holder or lessee of a mining right, the said holder or lessee shall pay indemnity to the land owner or the person holding interests.

ARTICLE 68

In case the owner of a land or the person holding interests therein deems it necessary, after receiving the notice mentioned in paragraph 2 of Article 63 to change the form and nature of the land or construct, reconstruct, extend or repair extensively buildings or other establishments or add more objects, thereon, he shall secure authorization from the Director of Mining Inspectorate. In case the owner or interested person performs the said act without the authorization from the said Director, he shall not be compensated for any loss or damage sustained thereby.

ARTICLE 69

In case the holder or lessee of a mining right, after receiving the notice mentioned in paragraph 2 Article 63, has caused any loss or damage to the owner of the land concerned or to person holding interests therein, by reason of disuse of the said land due to discontinuance of or change in mining operations, the holder or lessee of the mining right concerned shall indemnify the owner of the land or person holding interests therein for any loss caused thereby.

ARTICLE 70

The owner of the land and the person holding interests therein may demand the holder or lessee of a mining right to give appropriate security with regard to the payment or indemnity.

ARTICLE 71

In case an agreement has been reached or a decision has been given concerning the use or expropriation of land and the holder or lessee of a mining right may use or expropriate the land concerned by depositing an indemnity or offering security in accordance with the decision of the Director of Mining Inspectorate even though no decision or court judgement has been given in regard to indemnity or security.

ARTICLE 72

In case the holder or lessee of a mining right refuses or fails to pay or deposit the indemnity or offer security therefor, the owner of the land or person interested therein may refuse to permit the use of the said land.

ARTICLE 73

In case of expropriation of land, the right of ownership of the said land shall be transferred to the holder of the mining right or the lessee of the same at the time of expropriation of the land concerned and all other rights in the said land shall be terminated.

In case land is used the right of use shall be transferred to the holder of the mining right or the lessee of the same at the time of use of the land, and all other rights shall be suspended during the period of the above use. The preceding provision, however, may not apply to any right which does not interfere with the use of the said land.

ARTICLE 74

At the conclusion of the use of the land, the holder of a mining right or the lessee of the same shall, without delay, restore the said land to its original state and return the same to the owner, and in case the holder or lessee of the mining right fails to restore the land to its original state, he shall return the same to the owner with indemnity for any loss or damage caused thereby.

ARTICLE 75

Mortgage may be enforced on the indemnity to be paid for the use or expropriation of the mortgaged property, and in such a case the mortgage shall take fore-closure proceedings before payment of the indemnity.

ARTICLE 76

The provisions of the present Chapter shall apply mutatis mutandis to the use of water.

CHAPTER VI

Policing and Supervision of Mines.

ARTICLE 77

The Minister of Industry and the Director of Mining Inspectorate shall execute the policing duties connected with the following matters related to mining operations in accordance with the provisions of proper orders:

1. Preservation of buildings and establishment;
2. Sanitation and protection of lives;
3. Prevention of dangers and protection of public interests.

ARTICLE 78

In case the Minister of Industry deems that there exists the possibility of dangers or matters dangerous to the public interest in mining operations, the said Minister shall order the holder of the mining right concerned to take preventive measures or to suspend operations in part or in whole.

In case it is deemed necessary by the Director of Mining Inspectorate in order to avoid or prevent imminent dangers, the said Director may give the orders provided for in the preceding paragraph.

ARTICLE 79

During the period of one year following the termination of a mining right, the Minister of Industry or the Director of Mining Inspectorate may, in accordance with the provisions of the preceding Article, order the holder of the mining right at the time of its termination to equip the mine-lot with means for the prevention of dangers.

Any one who has been ordered to equip the mine-lot in accordance with the provisions of the preceding paragraph shall be regarded as the holder of a mining right within the limit of intending to equip the mine-lot with means for the prevention of dangers.

ARTICLE 80

The Minister of Industry may order the holder of a mining right to appoint or change the director connected with technical matters.

The qualifications and duties of the aforementioned director shall be determined by proper orders.

ARTICLE 81

The holder of a mining right shall draw up proposed mining plans in accordance with the provisions of proper orders and shall obtain the approval of the Director of Mining Inspectorate for the same, and shall also obtain the same in the case of any change effected in the said mining plans.

The holder of a mining right shall not carry on mining operations except in accordance with the aforementioned mining plans.

ARTICLE 82

In case it is deemed necessary, the Director of Mining Inspectorate may produce due reasons and order the holder of a mining right to change his proposed mining plans.

ARTICLE 83

The holder of a mining right shall keep plans of survey of the mining shafts together with mining books in his office in accordance with the provisions of proper orders and submit a copy of each to the Director of Mining Inspectorate.

ARTICLE 84

The holder of a mining right shall submit to the Director of Mining Inspectorate such mining specifications as are required by the provisions of proper orders.

ARTICLE 85

The Minister of Industry or Director of Mining Inspectorate may require the holder of a mining right to submit reports on his mining operations.

The officials concerned may inspect documents and other objects relative to mining or also inspect shafts and other places within a mine-lot. In case an offense relative to mining is deeemd to have been committed, the officials concerned may search such mine and seize any documents and objects evidencing crime, or close the whole or part of the shafts concerned.

ARTICLE 86

The provisions of Articles 78, 79, 80, 81, 82, 84 and 85 inclusive shall apply to lessees of mining right in case a leased mining right has been created.

CHAPTER VII

Decision, Appeal and Litigation.

ARTICLE 87

In case a person is dissatisfied with the acceptance or rejection of an application relative to mining, termination of a mining right, or prohibition of mining in accordance with the provisions of the first paragraph of Article 56, such person may file an appeal with the Minister of Industry.

ARTICLE 88

In case the holder or the lessee of a mining right has refused to obtain the approval as mentioned in Article 5, or is unable to obtain the same, he may apply to the Director of Mining Inspectorate for his decision on the matter.

In case a person is dissatisfied with the decision mentioned in the preceding paragraph, he may appeal to the Minister of Industry.

ARTICLE 89

In case the holder of a mining right, lessee of such right and owner of the land concerned fail to reach an agreement or are not able to hold a meeting to reach an agreement concerning the use or expropriation of land, use of water, indemnity or security, the interested parties may apply to the Director of Mining Inspectorate for his decision on the matter.

In case any one of the interested parties is dissatisfied with any part of the decision of the said Director, he may file an appeal with the Minister of Industry.

Any interested person who is dissatisfied with the decision concerning indemnity or security mentioned in paragraph 1 of the present Article may bring a suit to the court.

ARTICLE 90

An appeal or litigation shall not be instituted, in case sixty days have elapsed since the date of receipt of a written verdict or written notice of disposal.

For any interested person who does not receive the written verdict or written notice of disposal, the above-mentioned period shall commence from the date of official notification of the said verdict or notice.

CHAPTER VIII

Penal Regulations.

ARTICLE 91

Any person who mines or acquires minerals without a mining right or a leased mining right, or who has caused to create the mining right by fraud shall be punished with penal servitude for a term not exceeding three (3) years or with a fine not exceeding three thousand (3,000) yuan.

Any holder or lessee of a mining right who, by accident, mines beyond the boundary line of his mine-lot shall be punished, with a fine not exceeding five hundred (500) yuan.

In the preceding two cases the minerals mined shall be confiscated and in case a part or whole is not available for confiscation, its equivalent shall be collected in money.

ARTICLE 92

Any holder or lessee of a mining right who is guilty of either one of the following cases shall be punished with a fine not exceeding five hundred (500) yuan:

1. In case minerals have been mined in violation of the provisions of Article 5;
2. In case of violation of the orders given in accordance with the provisions of Article 78 or paragraph 1 of Article 79.

ARTICLE 93

Any person coming under any one of the following provisions shall be punished with a fine not exceeding two hundred (200) yuan:

1. Any one who has removed obstacles without the permission prescribed in paragraph 1 of Article 60;
2. Any one who has violated the orders given in accordance with the provision of paragraph 1 of Article 80;
3. Any one who has violated the provisions of Articles 81, 83 or 84, or the orders given in accordance with the provisions of Article 82.

ARTICLE 94

Any one who has refused or failed to make the report mentioned in Article 85 or who has made a false report or interfered with the performance of duties by the officials concerned, shall be punished with a fine not exceeding three hundred (300) yuan.

ARTICLE 95

In case an employee or any hand in the employ of the holder or lessee of a mining right commits any act in violation of the penal regulations of the present Law in the course of his service, the said holder or lessee concerned shall be punished as well as the employee or hand guilty of the act. In case, however, the holder or lessee concerned is mentally deranged or a minor who does not possess the competency of an adult regarding business, the legal representative concerned shall be punished accordingly.

ARTICLE 96

In case an employee or other hand of a juridical person commits any act in violation of the penal regulations of the present Law in the course of his service, officers of such juridical person or staff members of the same conducting business shall be punished accordingly, as well as the employee guilty of the said act.

In case officers of the juridical person or staff members of the same conducting business commit the act mentioned in the preceding paragraph, such officers or staff members shall be punished accordingly.

ARTICLE 97

In the case of any act of violation mentioned in Article 95 and paragraph 1 of Article 96, when the holder or lessee of a mining right, or legal representative, or officers or staff members prove that such act of violation could not reasonably be prevented, no punishment shall be imposed upon such persons.

SUPPLEMENTARY REGULATIONS.

ARTICLE 98

The date of enforcement of the present Law shall be determined by Imperial Ordinance.

ARTICLE 99

All the mining rights which were created in accordance with the regulations of the former regime and which exist at the time of the enforcement of the present Law shall be regarded as having been registered for the creation of mining rights in accordance with the provisions of the present Law.

ARTICLE 100

All acts of disposition, proceedings or any other acts done in accordance with regulations of the former regime shall be regarded as have been done in accordance with the regulations of the present Law, in case there are any regulations in the present Law which are equivalent to the former regulations.

ARTICLE 101

In case a mining right which was created in accordance with the regulations of the former regime and which exists at the time of the enforcement of the present Law, has, as its object, minerals other than those mentioned in Article 2 of the present Law, such right shall be allowed to continue, for the time being, in accordance with the regulations of the former regime.

ARTICLE 102

The term of a mining right which was created in accordance with the regulations of the former regime and which exists at the time of the enforcement of the present Law shall not be extended beyond the stipulated term.

ARTICLE 103

Any application for mining for minerals other than those mentioned in Article 2 of the present Law, existing at the time of the enforcement of the present Law, shall not be accepted.

ARTICLE 104

The provisions of Article 36 shall not apply, for the time being, to the mining right mentioned in Article 99. In case, however, the Minister of Industry deems it necessary, he may fix a period and may order the holder of the mining right concerned to rectify his mine-lot.

In case the holder of a mining right disregards the orders given in accordance with the provisions of the preceding paragraph, the Minister of Industry may cancel the mining right concerned.

ARTICLE 105

In case any person is actually an applicant for the mining of any minerals mentioned in Article 2 of the present Law, at the time of the enforcement of the present Law, he shall rectify the mining area in his application, in accordance with the provisions of Article 36 of the present Law, within a period fixed by the Minister of Industry.

In case the aforementioned rectification is not made within the period fixed by the said Minister, the application for mining shall be deemed as having been withdrawn.

Exchange Control Law

(December 10, 1935)

On November 30, 1935 the Minister of Finance issued a proclamation relating to the Exchange Control Law, which became effective on December 10, 1935, the substance of which follows:—

With a view to promoting the welfare of the people and to solidifying the basis for the development of national economy, the Government, since the founding of the State, has endeavoured to unify the monetary system and to stabilize the value of the national currency. The task of unifying the monetary system has thus been nearly completed and the national currency has come to enjoy universal confidence. In surveying the economic conditions of the world, however, we note that the various nations, in their eagerness to stabilize their currencies and to improve their trade, are at present resorting to various extraordinary measures, imposing, inter alia, stringent restrictions upon trade and foreign exchange transactions. It is with the intention of coping with such an international situation and thereby safeguarding our national welfare and prosperity that the Government has decided to exercise control over foreign exchange on and after the 10th of December, 2nd year of Kangte (1935), by promulgating the Exchange Control Law and related Departmental Orders. The aim of the present legislation, therefore, is to prevent sudden and artificial fluctuations in the value of the national currency against those of foreign currencies and to consolidate the basis of the monetary system, by prohibiting speculative transactions in the national currency, preventing the flight of capital abroad, promoting better circulation of the national currency, and preventing the exodus of bullions.

Among the stipulations of the Exchange Control Law, the following matters should be especially borne in mind by the people at large, and in as much as offenders thereof shall be severely dealt with, it is hoped that the people will strictly observe the present Law and Orders. Banks, money exchange brokers and dealers in bullions are advised to study carefully the Law and Orders, as well as other related regulations touching upon banking, money exchange, brokerage and bullion transactions.

I. Matters placed under ban

(1) Buying or selling for speculative purposes any foreign currency (including foreign obligations) or foreign exchange (meaning bill of exchange, cheque, telegraphic and postal money order issued or drawn in this country on any foreign country and vice versa. The Kwantung Leased Territory shall be regarded as a foreign country, the same applying throughout the present legislation.): and,

(2) Buying or selling Hsien-Tayang, Hsien-Hsiaoyang or any silver coin of the former regime, the sale of such to the Central Bank of Manchou being excepted.

II. Matters requiring official permission

(1) Buying of any foreign currency (currency circulated in accordance with Japanese law being excepted) quoted in Manchoukuo national currency or any currency circulated in accordance with Japanese law or foreign exchange (that drawn on the Kwantung Leased Territory or on Japan being excepted);

(2) Remittance of money to any foreign country (that to the Kwantung Leased Territory or to Japan being excepted);

(3) Any payment to be made within this country in accordance with consignment made in any foreign country (Kwantung Leased Territory and Japan being excepted);

(4) Importation of any foreign currency (including any silver coin of the former regime, but excluding any currency circulated in accordance with Japanese law);

(5) Exportation of gold bullion (including alluvial gold), alloy, any article made chiefly of gold, any silver coin (including any silver coin of the former regime, but excluding any silver coin circulated in accordance with Japanese law) or silver bullion;

(6) Conveyance by transportation facilities of gold bullion (including alluvial gold), any silver coin (including any silver coin of the former regime, but excluding any silver coin circulated in accordance with Japanese law) or silver bullion;

(7) Issue of debenture or contract for deposit as well as for loan for consumption within the country in any foreign currency (excluding that circulated in accordance with Japanese law) or;

(8) Buying or selling within the country bond and securities expressed in terms of any foreign currency (excluding that circulated in accordance with Japanese law).

III. Matters requiring no official permission

In the cases mentioned below, no official permission is required in respect of items (1), (2) and (3) of the preceding paragraph:

(1) In case it is necessary for the importation or exportation of goods from or to any foreign country;

(2) In case it is necessary for remitting to a claimant resident in any foreign country principal and interest of public bond, debenture loan or deposit or dividend for share and other profit coming under similar category;

(3) In case a person intending to travel abroad finds it necessary to carry with him travelling expenses to meet his requirements for a period not exceeding one year;

(4) In case it is necessary to remit to a person travelling or staying abroad travelling expenses, salaries, wages, allowances, school expenses or other expenses coming under similar category to meet requirements for a period not exceeding one year, or when it is necessary for remitting to one's family living abroad living expenses to meet its requirements for a period not exceeding one year.

Agreement for Manchoukuo-German Trade
Text of Agreement

(April 30, 1936)

Article 1

The German Administration of Foreign Exchange shall admit the importation of products of Manchoukuo to the amount of 100 million Yuan in value, calculated on the basis of c.i.f. prices, into Germany during the period of one year.

Article 2.

The payments in respect of the importation referred to in Article 1 shall be made as to three-fourths (75 million Yuan) in foreign exchange and as to one-fourth (25 million Yuan) in Reichsmarks, the latter to a special account at a bank designated by the authorities of Manchoukuo and to be utilized for the payments to be made in respect of products of Germany imported into Manchoukuo.

Article 3.

If, owing to unforeseen circumstances, the exchange situation in Germany should render it impossible for the German Administration of Foreign Exchange to make available foreign exchange to the amount of 75 million Yuan as provided for in Article 2 during the period of one year, the amount of importation provided for in Article 1 may be reduced to not less than 65 million Yuan in value, the payment of which shall be made as to three-fourths in foreign exchange and as to one-fourth in Reichsmarks.

In so far as the annual surplus of foreign exchange accruing to the Reichsbank from German trade with Japan during the period of one year exceeds the amount of 63,750,000 Yuan, such excess shall be made available for additional German importation from Manchoukuo payable in foreign exchange beyond the amount provided for in the preceding paragraph and the importation against payment in Reichsmarks shall be increased by one-third of such excess.

Article 4.

The competent authorities of Manchoukuo shall take the necessary measures to ensure sufficient importation, calculated on the basis of c.i.f. prices, into Manchoukuo of products of Germany during the period of one year, to utilize the whole amount of Reichsmarks paid into a special account in accordance with Article 2 during the same period, which amount may be modified in accordance with Article 3.

Article 5.

Products of Germany shipped to Manchoukuo shall be accompanied by a copy of the invoice bearing a statement by the exporter to the effect that they are products of Germany and by a copy of the Export-Declaration through which the Reichsbank is notified by the exporter of the amount of the products invoiced in accordance with the German regulations for the control of foreign exchange. These documents shall be presented to the customs authorities of Manchoukuo. If the latter find any product of Germany unaccompanied by a copy of the Export-Declaration, they shall notify the authorities of Germany of the name of the exporter, the description of the products and the invoiced amount. The term "customs authorities of Manchoukuo" comprises the customs authorities of Manchoukuo at Dairen, Seishin, Rashin and Yuki.

Article 6.

Products of Manchoukuo imported into Germany through a third country shall not fall under the present Arrangement, if the payments for such products are effected under a clearing or compensation agreement between Germany and such third country.

Article 7.

Under the present Arrangement private clearing transactions in trade between Manchoukuo and Germany require the approval of the authorities of the two countries.

Article 8.

The amount of trade effected between Manchoukuo and Germany shall be ascertained quarterly at Berlin by the competent representatives of the contracting parties. On such occasions questions arising out of the operation of Article 3 may be settled by consultation between the said representatives

Article 9.

If, at the end of the period of one year, the present Arrangement is renewed and there exists in the total amount of imports from Manchoukuo to Germany or from Germany to Manchoukuo a deficit in or an excess over the amounts provided for in present Arrangement, the amounts to be fixed for the following year shall be increased or decreased by the amount of such deficit or excess.

Article 10.

The organization of the special account in Reichsmarks referred to in Article 2 and the conditions of utilizing such account shall be determined by an agreement between the Reichsbank referred to in Article 2, which agreement shall be subject to the approval of the contracting parties.

Article 11.

In so far as German exports to Manchoukuo are financed by banks, the competent authorities of Manchoukuo shall not take measures to prevent at least 25% of such financing from being handled by other banks than the bank referred to in Article 2.

Article 12.

The amount of all transactions in the trade between Manchoukuo and Germany entered into prior to the coming into force of the present Arrangement shall be respectively included in the yearly amounts referred to in Articles 1 and 4, so far as payments resulting from such transcations are effected during the period of the present Arrangement.

Article 13.

For the purpose of the present Arrangement:

a. the term "period of one year" means one year beginning on the date of coming into force of the present Arrangement.

b. the term "products of Germany" means products either exclusively produced in Germany or subjected therein to an essential transformation effected in the course of an ultimate process which has an economic justification.

c. the term "products of Manchoukuo" means products either exclusively produced in Manchoukuo or subjected therein to an essential transformation effected as aforesaid, and,

d. products of the Leased Territory of Kwantung are regarded as products of Manchoukuo.

Article 14.

The present Arrangement shall come into force on the 1st June, 1936 and shall remain in force for one year from that date.

For the purpose of renewing the present Arrangement the contracting parties shall enter into negotiations not later than two months prior to the expiration therefor.

Done in Tokyo in duplicate, this 30th day of the fourth month of the 3rd year of Kangte, corresponding to the 30th day of April, 1936.

For the Competent Authorities of Manchoukuo:
(L.S.) HSIEH CHIEH-SHIH

For the German Administration of Foreign Exchange:
(L.S.) OTTO KIEP

Japan-Manchoukuo Treaty for Partial Abolition of Extraterritorial Privileges

(June 10, 1936)

The English version of the text of the treaty as given out by the Foreign Office at Hsinking follows:—

Treaty between Japan and Manchoukuo concerning the Residence of Japanese Subjects, Taxation, etc., in Manchoukuo.

Whereas the Government of Japan, in accordance with the principle of the protocol between Japan and Manchoukuo signed on the fifteenth of September of the seventh year of Showa, have, for the purpose for furthering the healthy development of Manchoukuo and also of promoting and perpetuating the intimate and inseparable relationship now subsisting between Japan and Manchoukuo, decided to abolish, by progressive stages, the right of extraterritoriality at present enjoyed in Manchoukuo by Japan, and to adjust and transfer the administrative rights over the South Manchuria Railway Zone; and,

Whereas the Government of Manchoukuo, appreciating this decision by the Government of Japan have, in return recognized the necessity of ensuring and enhancing the common prosperity of Japanese and Manchoukuo subjects within the territories of Manchoukuo;

Now, therefore, with reference to the right of extraterritoriality and the administrative rights over the South Manchuria Railway enjoyed in Manchoukuo by Japan, the Government of Japan and of Manchoukuo have agreed as the first step as follows concerning the residence of, and the enjoyment of various rights and interests by, Japanese subjects, and the application of the laws and ordinance of Manchoukuo concerning taxation, industries, etc.

Article 1.

Japanese subjects shall be free within the territories of Manchoukuo to reside and travel and engage in agriculture, commerce and industry, and to pursue callings and professions, whether public or private, and shall also enjoy all the rights relating to land.

Japanese subjects shall not, in respect of the enjoyment of all rights and interests within the territories of Manchoukuo, be accorded less favourable treatment as that which is or may be accorded to the subjects of Manchoukuo.

Article 2.

Subject to the stipulation of the Supplementary Agreement to the present Treaty, Japanese subjects shall be governed within the territories of Manchoukuo by the provisions of the administrative laws and ordinance of Manchoukuo concerning taxation, industries, etc.

The Japanese Government agrees that, subject to the stipulations of the aforesaid Agreement, the laws and ordinances of Manchoukuo mentioned in the preceding paragraph shall be in force within the South Manchuria Railway Zone on the principles of *statutas relia.*

In respect of the application of present Article, Japanese subjects shall not, under any circumstances, be accorded less favourable treatment than that which is or may be accorded to the subjects of Manchoukuo.

Article 3.

The stipulations of the preceding two Articles shall, in so far as they are applicable to juristic persons, apply to Japanese juristic persons.

Article 4.

The stipulations of the present Treaty shall not prejudice the rights, privileges, immunities and exemptions of particular Japanese subjects or juristic persons based on the special engagements entered into between Japan and Manchoukuo.

Article 5.

The present Treaty shall come into force on the 1st of July, the Eleventh Year of Showa, corresponding to the 1st of July, the Third Year of Kangte.

Japan-Manchoukuo Agreement for Mutual Protection of Industrial Rights

(June 29, 1936)

Article 1: The subjects of either of the high contracting parties when they have fulfilled the procedure stipulated by law shall be accorded within the territory of the other the same protection as accorded to the subjects of the latter party regarding invention patents, utility models, designs and trade marks.

Article 2: Persons in either of the high contracting parties who have sent in legal applications for patents for inventions or for the registration of utility models designs and trade marks or the successors thereto shall enjoy preferential rights in the other regarding similar applications.

The term of the aforementioned preferential rights shall be twelve months in the case of invention patents, utility models and designs and six months in the case of trade marks.

Article 3: With regard to invention patents, utility models and designs in either of the high contracting parties the other shall not collect any fees, patent charges or registration fees.

Article 4: The present agreement shall come into force from the date which is to be fixed after consultations between the Ambassador Extraordinary and Plenipotentiary of the Japanese Empire to Manchoukuo and the Minister of Foreign Affairs of the Manchou Empire.

Article 5: The present agreement has been drawn up in the Japanese and Chinese languages. Should any difference in interpretation arise between the two texts the Japanese text shall prevail.

In witness whereof, the undersigned, duly authorized by their respective Governments, have signed the present agreement and affixed their seals thereto.

Done at Hsinking, in duplicate this twenty-ninth day of the sixth month of the Eleventh Year of Showa, corresponding to the twenty-ninth day of the sixth month of the Third Year of Kangte.

(L.S.) KENKICHI UEDA,
Ambassador Extraordinary and Plenipotentiary
of Japan to Manchoukuo.

(L.S.) CHANG YEN-CHING,
Minister of Foreign Affairs of Manchoukuo.

Article 6.

The present Treaty has been drawn up in the Japanese and the Chinese text, and, should any difference in interpretation arise between the two texts, the Japanese text shall prevail.

In witness whereof, the undersigned, duly authorized by their respective Governments, have signed the present Treaty and affixed their seals thereto.

Done at Hsinking, in duplicate, this .... day of the .... month of the Eleventh Year of Showa, corresponding to the .... day of the .... month of the Third Year of Kangte.

(L.S.) KENKICHI UYEDA,
Ambassador Extraordinary and Plenipotentiary
of Japan to Manchoukuo.
(L.S.) CHANG YEN-CHING,
Minister of Foreign Affairs of Manchoukuo.

Agreed Terms of Understanding between the Plenipotentiaries of Japan and of Manchoukuo, with reference to the Treaty between the two Countries concerning the Residence of Japanese Subjects, Taxation, etc., in Manchoukuo, and also to the Supplementary Agreement to that Treaty.

I. Ad Article 1 of the Treaty:

In case a Japanese subject desires to acquire any right concerning land in an unopened Mongol region, he shall be required to obtain the permission of the competent authorities of Manchoukuo.

II. Ad Article 2 of the Treaty:

1. In view of the fact that within the territories of Manchoukuo Japanese Communities are carrying on educational work for Japanese subjects, the Government of Manchoukuo shall, in accordance with a decision to be made by consultation between the Japanese Ambassador Extraordinary and Plenipotentiary to Manchoukuo and the Minister for Foreign Affairs of Manchoukuo, pay each year a share of the expenses of educational work for Japanese subjects within the territories of Manchoukuo.
2. The Government of Manchoukuo shall further improve the existing system of taxation.
3. The Government of Manchoukuo shall, in applying the laws and ordinances of Manchoukuo which govern Japanese subjects under Article 2 of the Treaty, take the steps necessary for the protection of the rights or interests which Japanese subjects now enjoy under the laws and ordinances of Japan, or by usage.

III. Ad Article 2 of the Supplementary Agreement to the Treaty:

The imposition and collection of consumption tax on articles produced within and consumed without the South Manchuria Railway Zone, and also on articles produced without and consumed within the said Zone, shall be decided upon by consultation between the competent authorities of Japan and Manchoukuo.

Done at Hsinking this Tenth day of the Sixth month of the Eleventh Year of Showa, corresponding to the Tenth day of the Sixth month of the Third Year of Kangte.

Japan-Manchoukuo Postal Agreement

Text of Agreement

(June 29, 1936)

Article 1. The high contracting parties shall exchange mail, postal money orders and postal transfer account orders and deliver mail matter addressed to each other.

Article 2. The high contracting parties shall relay postal matters addressed to each other by third countries with which they have business connections. The high contracting parties shall act as intermediaries in the matter of postal money orders between either thereof and third countries with which they have business connections.

Postal Matter Defined

Article 3. Postal matter as defined in the present treaty includes ordinary mail matter and parcel post. The postal money orders as defined in the present treaty include ordinary postal money orders and telegraphic postal money orders. The postal transfer account orders as defined in the present treaty include ordinary transfer and telegraphic transfer account orders.

Article 4. The measures and weights of postal matter, limitation of the maximum sums of postal money orders and telegraphic transfer accounts, the kinds of mail matter, postal money orders, postal transfer accounts and other items specifically handled, and all matters relating to the enforcement of the present treaty shall be in accordance with the relevant regulations of each high contracting parties.

Article 5. The amounts of postal money orders and postal transfer accounts shall be indicated in Japanese currency. The Communications Ministry of the Manchoukuo Government shall fix the exchange rate of Manchoukuo currency in sending and receiving postal money orders and postal transfer accounts.

Article 6. The charges for postal matter, postal money orders and postal transfer accounts shall be fixed so as not to exceed the same charges not included in the regulations of either of the high contracting parties and those whose portion is due to the other party; they shall be fixed through negotiations between the authorities of the high contracting parties.

Collectable In Stamps

Article 7. The charges for postal matter, postal money orders and postal transfer accounts shall be collected in stamps equivalent to the sums thereof unless there is a specific agreement.

Article 8. The communications authorities of the high contracting parties shall acquire all the charges collected unless there is a specific agreement.

Article 9. All mail matters, postal money orders and postal transfer accounts sent and received by the communications authorities of each high contracting party shall be handled gratis so long as there is an agreement stipulating such.

Article 10. As regards ordinary mail matter not specifically handled, whose charges are either unpaid or short, sums double the fixed charges shall be collected from the addressees thereof. In case the addressees decline to accept such mail matter to be returned to the senders, the same sums shall be collected from them.

Transfer Rights

Article 11. The transfer of all rights relating to postal money order and postal transfer accounts shall be prohibited, excepting those whose transfer to banks is specifically authorized by the communications authorities of each high contracting party and those small postal money orders whose recipients are not named.

Article 12. All mail matters, postal money orders and postal transfer accounts paid out through legal procedure shall be regarded as having been paid legitimately.

Article 13. The communications authorities of the high contracting parties shall be held responsible for any losses to mail matter sent through legitimate procedure and therefore shall pay the indemnities therefor whenever there is any agreement stipulating such.

The indemnities as referred to in the foregoing shall be fixed between the high contracting parties.

Article 14. The communications authorities of the high contracting parties shall be immune from any indemnities for any losses arising from a delay in the payment of postal money orders.

Article 15. The foregoing stipulation shall also be applicable to a delay in the handling of postal transfer accounts.

To Issue Return Postal Stamps

Article 16. The communications authorities of the high contracting parties in accordance with arrangements made betewen them shall issue return postal stamps changeable into the stamps of each high contracting party.

Article 17. In case the communications authorities of either of the high contracting parties are compelled by inevitable circumstances to suspend their business, they shall notify the communications authorities of the other high contracting party thereof without delay.

Article 18. The text of the present treaty shall be in the languages of Japan and Manchoukuo. In case there occur any different interpretations of the texts in the two languages, the disagreement shall be settled in accordance with the Japanese text.

Article 19. The present treaty shall take effect one month after the signing thereof. As regards business relating to postal transfer accounts, the date of enforcement of the treaty shall be fixed after consultations between the communications authorities of the high contracting parties.

Each high contracting party may abrogate the present treaty by giving six months' notice.

The present treaty replaces all the relevant agreements concluded between the two countries in the past.

Appendix

In signing the present treaty governing the postal relations between the Empires of Japan and Manchoukuo, the representatives of the respective Governments have reached the following agreements as a temporary measure:

1. The status quo of Japan-Manchoukuo postal facilities within the South Manchuria Railway Zone shall be maintained. The improvement thereof shall be made in accordance with precepts whenever the circumstances so demand.

2. The postal relations between the South Manchuria Railway Zone of the Japanese Empire and the territory of Manchoukuo shall be governed by the stipulations of the present treaty.

3. As regards the customs procedure employed at present by the Manchoukuo Government in connection with mail matter sent to and received from Manchoukuo, the status quo shall be maintained. Any improvement in this regard whenever necessary shall be discussed between the Communications Department of the Kwantung Bureau and the Finance Ministry of the Manchoukuo Government.

Text of the Law Governing Succession to the Imperial Throne

(Promulgated March 1, 1937)

Article 1: The Imperial Throne of Manchoukuo shall be succeeded to by male descendants in the male line of His Majesty the Emperor for ages to come.

Article 2: The Imperial Throne shall be succeeded to by the Imperial eldest son.

Article 3: When the Imperial eldest son is deceased the Imperial Throne shall be succeeded to by the Imperial eldest grandson. When there is neither Imperial eldest son nor any male descendants of his alive it shall be succeeded to by the Imperial son next in age and his descendants and so on in every successive case.

Article 4: For succession to the Imperial Throne by an Imperial descendant, those of full blood shall have precedence over descendants of half blood. The succession to the Imperial Throne by the latter shall be limited to those cases only in which there is no Imperial descendant of full blood.

Article 5: When there is no Imperial descendant, the Throne shall be succeeded to by an Imperial brother and by the descendants.

Article 6: When there is no such Imperial brother or descendant of his, the Imperial Throne shall be succeeded to by an Imperial uncle and his descendants.

Article 7: When there is neither such Imperial uncle nor descendant of his, the Imperial Throne shall be succeeded to by the next nearest member among the rest of the Imperial Family and his descendants.

Article 8: Among the Imperial brothers and the remoter Imperial relatives, precedence shall be given, in the same degree, to the descendants of full blood, and to the elder over the younger.

Article 9: When the Imperial heir is suffering from an incurable disease of mind or of body, or when any other weighty cause exists, the order of succession may be changed in accordance with the foregoing several provisions and with the advice of the Imperial Privy Council.

Article 10: The order of succession to the Imperial Throne shall in all cases be in accordance with actual genealogy.

The present law shall take effect from the date of its promulgation.

Statement of Mr. Chang Ching-hui, the Prime Minister, on the Law Governing Succession to the Imperial Throne Issued on March 1, 1937.

"Our Manchoutikuo, depending upon the righteous aid and support of the Empire of Japan, has been able to accomplish its great national task of laying foundations for the State. Ever since Our ascension to the Imperial Throne, which was thus rendered possible. We have worked day and night not neglecting Our duty even for a moment, in order to see to it that all the far-reaching policies of statecraft designed to protect Our State were carried out in cooperation with the Empire of Japan, thereby furthering the inseparable relationship existing between the two Empires and upholding the real cause of the moral and physical unity of both nations.

"We have established an Imperial Throne Succession Law and hereby enact a relevant code prepared with due stress laid upon the grave importance of the succession to the Throne, thus hoping to lay foundations for its perpetuation. By virtue of this code, Our Imperial Throne has been solemnized, but for its maintenance which is not easy, We rely upon the support and protection of His Majesty, the Emperor of Japan.

"The foundations of the Imperial Throne must have their limit. The incumbent of the Throne, in deference to the dictates of Heaven and Earth, shall act as the father of the subjects. With all benevolence, he must rule the State and with all justice, he must enforce the laws.

"When peace pervades the State under the benevolent reign of the Emperor, can the unity of the Throne and the nation be achieved and maintained. Human morals must be made subservient to the dictates of Heaven and Earth and be cultivated with time. All the people whom We now rule and Our posterity may rule are hereby called upon to realize where the foundation of Our Empire lie and appreciate what We have in mind for the sake of the State.

"We hereby command all of Our subjects to make unremitting efforts, in the spirit of cooperation, in loyalty to Us. If the foundations of Our Imperial Throne remain solid and immutable, it will prosper for ages to come and he coeval with Earth to maintain Our rule of benevolence over the Empire."

Treaty Between Japan and Manchoukuo Concerning the Aboliton of Extraterritoriality in Manchoukuo and the Transfer of the Administrative Rights over the South Manchuria Railway Zone.

(November 5, 1937)

Whereas the Government of Japan, in accordance with the principle of the preamble to the treaty between Japan and Manchoukuo concerning the residence of Japanese subjects, taxation, et cetera, in Manchoukuo signed on the 10th day of the sixth month of the 11th Year of Showa, corresponding to the 10th day of the sixth month of the Third Year of Kangte, and having regard to the results of the operation of the said treaty and also to the improvements introduced into the laws and ordinances and the various systems of Manchoukuo, have decided completely to abolish the right of extraterritoriality at present enjoyed in Manchoukuo by Japan and entirely to transfer the administrative rights over the South Manchuria Railway Zone; and

Whereas the Government of Manchoukuo, in response to this decision by the Government of Japan, are now in a position to afford, in the spirit in which their Empire was founded, all the necessary guarantees for further ensuring and enhancing the well-being and prosperity of Japanese subjects in Manchoukuo;

Now, therefore, with reference to the abolition of the right of extraterritoriality at present enjoyed in Manchoukuo by Japan and to the transfer of the administrative rights over the South Manchuria Railway Zone, the Governments of Japan and of Manchoukuo have agreed as follows to regulate the relations between the two countries:

Article 1

The Government of Japan shall, in accordance with the stipulations of the supplementary agreements to the present treaty, abolish the right of extraterritoriality at present enjoyed in Manchoukuo by Japan.

Article 2

The Government of Japan shall, in accordance with the stipulations of the supplementary agreement to the present treaty, transfer to the Government of Manchoukuo the administrative rights over the South Manchuria Railway Zone.

Article 3

Subject to the stipulations of the supplementary agreement to the present treaty, Japanese subjects shall be governed within the territories of Manchoukuo by the provisions of the laws and ordinances of that country.

With regard to the application of the stipulations of the preceding paragraph, Japanese subjects shall not, under any circumstances, be accorded less favorable treatment than that which is or may be accorded to the nationals of Manchoukuo.

The stipulations of the preceding two paragraphs shall, in so far as they are applicable to juristic persons, apply to Japanese juristic persons.

Article 4

Companies and other juristic persons which have been established under the laws and ordinances of Japan and which have, at the time of the coming into force of the present treaty, head or principal offices with the Empire of Japan, thereby furthering the inseparable relationship existing between the two Empires and upholding the real cause of the moral and physical unity of both nations.

"We have established an Imperial Throne Succession Law and hereby enact a relevant code prepared with due stress laid upon the grave importance of the succession to the Throne, thus hoping to lay foundations for its perpetuation. By virtue of this code, Our Imperial Throne has been solemnized, but for its maintenance which is not easy, We rely upon the support and protection of His Majesty, the Emperor of Japan.

"The foundations of the Imperial Throne must have their limit. The incumbent of the Throne, in deference to the dictates of Heaven and Earth, shall act as the father of the subjects. With all benevolence, he must rule the State and with all justice, he must enforce the laws.

"When peace pervades the State under the benevolent reign of the Emperor, can the unity of the Throne and the nation be achieved and maintained. Human morals must be made subservient to the dictates of Heaven and Earth and be cultivated with time. All the people whom We now rule and Our posterity may rule are hereby called upon to realize where the foundation of Our Empire lie and appreciate what We have in mind for the sake of the State.

"We hereby command all of Our subjects to make unremitting efforts, in the spirit of cooperation, in loyalty to Us. If the foundations of Our Imperial Throne remain solid and immutable, it will prosper for ages to come and he coeval with Earth to maintain Our rule of benevolence over the Empire."

Treaty Between Japan and Manchoukuo Concerning the Aboliton of Extraterritoriality in Manchoukuo and the Transfer of the Administrative Rights over the South Manchuria Railway Zone.

(November 5, 1937)

Whereas the Government of Japan, in accordance with the principle of the preamble to the treaty between Japan and Manchoukuo concerning the residence of Japanese subjects, taxation, et cetera, in Manchoukuo signed on the 10th day of the sixth month of the 11th Year of Showa, corresponding to the 10th day of the sixth month of the Third Year of Kangte, and having regard to the results of the operation of the said treaty and also to the improvements introduced into the laws and ordinances and the various systems of Manchoukuo, have decided completely to abolish the right of extraterritoriality at present enjoyed in Manchoukuo by Japan and entirely to transfer the administrative rights over the South Manchuria Railway Zone; and

Whereas the Government of Manchoukuo, in response to this decision by the Government of Japan, are now in a position to afford, in the spirit in which their Empire was founded, all the necessary guarantees for further ensuring and enhancing the well-being and prosperity of Japanese subjects in Manchoukuo;

Now, therefore, with reference to the abolition of the right of extraterritoriality at present enjoyed in Manchoukuo by Japan and to the transfer of the administrative rights over the South Manchuria Railway Zone, the Governments of Japan and of Manchoukuo have agreed as follows to regulate the relations between the two countries:

Article 1

The Government of Japan shall, in accordance with the stipulations of the supplementary agreements to the present treaty, abolish the right of extraterritoriality at present enjoyed in Manchoukuo by Japan.

Article 2

The Government of Japan shall, in accordance with the stipulations of the supplementary agreement to the present treaty, transfer to the Government of Manchoukuo the administrative rights over the South Manchuria Railway Zone.

Article 3

Subject to the stipulations of the supplementary agreement to the present treaty, Japanese subjects shall be governed within the territories of Manchoukuo by the provisions of the laws and ordinances of that country.

With regard to the application of the stipulations of the preceding paragraph, Japanese subjects shall not, under any circumstances, be accorded less favorable treatment than that which is or may be accorded to the nationals of Manchoukuo.

The stipulations of the preceding two paragraphs shall, in so far as they are applicable to juristic persons, apply to Japanese juristic persons.

Article 4

Companies and other juristic persons which have been established under the laws and ordinances of Japan and which have, at the time of the coming into force of the present treaty, head or principal offices within the territories of Manchoukuo shall, simultaneously with the coming into force of the present treaty, be recognized as companies or other juristic persons of a nature similar or most closely analogous established under the laws and ordinances of Manchoukuo.

The Government of Manchoukuo shall recognize the establishment of companies and other juristic persons which have been established under the laws and ordinances of Japan and which have, at the time of the coming into force of the present treaty, branch or subordinate offices within the territories of Manchoukuo.

Article 5

The stipulations of the present treaty shall not prejudice the rights, privileges, immunities and exemptions of particular Japanese subjects or juristic persons based on the special engagements entered into between Japan and Manchoukuo.

Article 6

The present treaty shall come into force on the first of December, the 12th Year of Showa, corresponding to the first of December, the Fourth Year of Kangte.

Article 7

The present treaty has been drawn up in Japanese and Chinese texts, and, should any difference in interpretation arise between the two texts, the Japanese text shall prevail.

In witness whereof, the undersigned, duly authorized by their respective Governments, have signed the present treaty and affixed their seals thereto.

Done at Hsinking, in duplicate, this fifth day of the 11th month of the 12th Year of Showa, corresponding to the fifth day of the 11th month of the Fourth Year of Kangte.

(L.S.) KENKICHI UEDA,
Ambassador Extraordinary and Plenipotentiary
of Japan to Manchoukuo.

(L.S.) CHANG CHING-HUI,
Prime Minister of Manchoukuo.

Supplementary Agreement (A)

In signing today the treaty between Japan and Manchoukuo concerning the abolition of extraterritoriality in Manchoukuo and the transfer of the administrative rights over the South Manchuria Railway Zone, the respective plenipotentiaries of the two countries have agreed as follows:

CHAPTER 1

JURISDICTION

Article 1

The system of consular courts existing for Japanese subjects in Manchoukuo shall, simultaneously with the coming into force of the treaty, cease to be in force, and thereafter Japanese subjects shall come within the jurisdiction of the law courts of Manchoukuo.

Article 2

The Government of Manchoukuo engage to guarantee to the lives and property of Japanese such juridical protection as conforms to international law and the general principles of law.

Article 3

Contentious cases, civil and penal, and non-contentious cases which remain pending at the consular courts of Japan at the time of the coming into force of the treaty, shall continue to be disposed of in pursuance of the procedure hitherto followed, and, for the purposes of that disposal, the jurisdiction of the consular courts of Japan shall continue to be in full force.

In all matters that relate to the cases to be disposed of under the preceding paragraph, the competent authorities of Manchoukuo shall afford aid on request by the competent authorities of Japan.

Article 4

With regard to criminal acts committed by Japanese subjects before the coming into force of the treaty, the law courts of Manchoukuo are competent to try and decide cases concerning the said acts, only when such acts either contravene the penal laws and regulations of Japan in force at the time they were committed and also constitute punishable offences under the penal laws and regulations of Manchoukuo, or contravene those penal laws and regulations of Manchoukuo the application of which to Japanese subjects has been approved by Japan.

The Government of Manchoukuo engage not to punish more severely than under the laws and ordinances of Japan the criminal acts of Japanese subjects referred to in the preceding paragraph.

Article 5

With regard to any of the offences under Articles 73 to 79, 81 to 89 and 197 of the Criminal Code of Japan, or under the Japanese Law for the Preservation of the Public Peace, which were committed by Japanese subjects within the territories of Manchoukuo before the coming into force of the treaty, the Government of Manchoukuo shall deliver the offenders, together with the relevant evidence, to the Government of Japan.

Article 6

Those criminal cases in which searches are being made by Japanese consular officers at the time of the coming into force of the treaty and which can be punished under the laws and ordinances of Manchoukuo shall, together with the relevant documents and evidence, be taken over by the competent authorities of Manchoukuo.

With regard to the cases taken over under the preceding paragraph, the Government of Manchoukuo shall recognize the procedure which was, before they were so taken over, fulfilled under the laws and ordinances of Japan in respect of accusation, prosecution, self-surrender and search, as having the same validity as if it were fulfilled under the laws and ordinances of Manchoukuo.

Article 7

The Government of Manchoukuo recognize the validity of the titles of debt drawn up under the laws and ordinances of Japan before the coming into force of the treaty. The same shall apply to the titles of debt drawn up in respect of cases to be disposed of under the first paragraph of Article 3 of the present agreement.

Article 8

The Government of Manchoukuo shall recognize the registrations effected before the coming into force of the treaty by Japanese consular officers under the laws and ordinances of Japan as having the same validity as if they were effected by the competent authorities of Manchoukuo under the laws and ordinances of that country.

CHAPTER II

ADMINISTRATION OVER THE SOUTH MANCHURIA RAILWAY ZONE

Article 9

The Government of Japan shall, simultaneously with the coming into force of the treaty, transfer to the Government of Manchoukuo administration relating to taxation, police, communications, et cetera, over the South Manchuria Railway Zone.

Article 10

The Government of Manchoukuo engage, after the transfer of administration under the preceding article, to take appropriate steps, in administering the South Manchuria Railway Zone, to prevent interference with the advancement of general culture, the development of industries, et cetera.

Article 11

The taxes, the imposition of which is within the rights of the Government of Japan at the time of the transfer of the administration over the South Manchuria Railway Zone, shall be levied and collected by the Government of Manchoukuo in accordance with a decision to be made by consultation between the Japanese Ambassador Extraordinary and Plenipotentiary to Manchoukuo and the Prime Minister of that country.

In connection with the stipulations of the preceding paragraph, the Government of Manchoukuo shall deliver to the Government of Japan funds of an amount to be decided upon by consultation between the Japanese Ambassador Extraordinary and Plenipotentiary to Manchoukuo and the Prime Minister of that country.

CHAPTER III

POLICE AND OTHER ADMINISTRATION

Article 12

Within the territories of Manchoukuo, the Government of Japan shall, simultaneously with the coming into force of the treaty, cease to exercise police and other administration in respect of Japanese subjects, and thereafter they shall come within the jurisdiction of Manchoukuo in regard to such administration.

The Government of Manchoukuo engage, in exercising police and other administration in respect of possible guarantees for the protection of their lives and property.

Article 13

Cases concerning police and other matters, which are being dealt with at the time of the coming into force of the treaty by the competent authorities of Japan, shall, as a general principle, be taken over, together with the relevant documents, by the competent authorities of Manchoukuo.

CHAPTER IV

ADMINISTRATION CONCERNING SHRINES, EDUCATION AND MILITARY MATTERS

Article 14

The Government of Manchoukuo agrees that, within their territories after the coming into force of the treaty, Japan or her subjects shall establish shrines under its own laws and ordinances, and its Government shall administer matters relating to such shrines.

Article 15

The Government of Manchoukuo, with regard to important matters connected with the educational administration to be exercised by them in respect of Japanese subjects, engage, for the time being, to act in accordance with a decision to be previously made by consultation between the Japanese Ambassador Extraordinary and Plenipotentiary to Manchoukuo and the Prime Minister of that country.

The Government of Manchoukuo agree that, within their territories for the time being after the coming into force of the treaty, Japan on its subjects shall, under its own laws and ordinances, open, conduct or control schools and other educational institutions, and its Government shall administer education matters concerning its subjects, in accordance with a decision to be made by consultation between the Japanese Ambassador Extaordinary and Plenipotentiary to Manchoukuo and the Prime Minister of that country.

Within the territories of Manchoukuo, establish school associations, and the federations of such associations, of the status of public juristic persons, in order to cause them to open, conduct or control the schools and other educational institutions referred to in the preceding paragraph. The Government of Manchoukuo shall recognize the establishment of such associations and federations.

Article 16

The Government of Manchoukuo agrees that, within the territories of Manchoukuo after the coming into force of the treaty, administration concerning military enlistment, service, muster and other military matters in respect of Japanese subjects shall be exercised by the Government of Japan.

Article 17

Of the laws and ordinances of Japan to be applied under the present chapter, those which are applicable through judicial procedure shall be applied by the judicial authorities of Japan.

Article 18

The Government of Manchoukuo engage to afford aid in the application, under the present chapter, of the laws and ordinances of Japan, and, for the purposes of affording that aid, to take the necessary steps in accordance with a decision to be made by consultation between the competent authorities of Japan and of Manchoukuo.

CHAPTER V

THE TAKING OVER OF INSTITUTIONS AND STAFFS

Article 19

Along with the abolition of extraterritoriality and the transfer of the administration over the South Manchuria Railway Zone, the Government of Manchoukuo shall take over, as a general principle in the condition existing at the time of the coming into force of the treaty, the Japanese institutions (including lands, buildings and necessary equipments) and staffs concerned, in accordance with a decision to be made by consultation between the Japanese Ambassador Extraordinary and Plenipotentiary to Manchoukuo and the Prime Minister of that country.

CHAPTER VI

Miscellaneous Stipulations

Article 20

The Government of Manchoukuo shall recognize the approval, permission, licence and similar other administrative actions effected before the coming into force of the treaty by the competent authorities of Japan under its laws and ordinances, as having the same validity as if they were effected by the competent authorities of Manchoukuo under its laws and ordinances.

In case there is a difference between the laws and ordinances of Manchoukuo and those of Japan in the conditions required for the administrative actions referred to in the preceding paragraph the Government of Manchoukuo may cause the persons who have obtained such administrative actions to conform, within a specified period of time, to the conditions prescribed by the laws and ordinances of Manchoukuo.

Article 21

The Government of Japan shall deliver to the Government of Manchoukuo records, registers, drawings, papers and other things concerning the administration of justice, police, taxation, communications, et cetera, which are necessary for the operation of the persent agreement.

Article 22

Details concerning the operation of the present agreement shall, as occasion arises, be decided upon by consultation between the Japanese Ambassador Extraordinary and Plenipotentiary to Manchoukuo and the Prime Minister of that country.

Article 23

The present agreement shall come into force simultaneously with the treaty.

In witness whereof, the Plenipotentiaries of Japan and of Manchoukuo have signed the present agreement and affixed their seals thereto.

Done at Hsinking this fifth day of the 11th month of 12th Year of Showa, corresponding to the fifth day of the 11th month of the Fourth year of Kangte.

(L.S.) KENKICHI UEDA,
Ambassador Extraordinary and Plenipotentiary
of Japan to Manchoukuo.

(L.S.) CHANG CHING-HUI,
Prime Minister of Manchoukuo.

Agreed Terms of Understanding between the Plenipotentiaries of Japan and of Manchoukuo, with Reference to the Treaty between the Two Countries concerning the Abolition of Extraterritoriality in Manchoukuo and the Transfer of the Administrative Rights over the South Manchuria Railway Zone, and also to the Supplementary Agreement (A) to that Treaty.

I. Ad Article 3 of the treaty and Article 1 of the supplementary agreement:

1. In matters relating to the personal status of Japanese subjects, the law courts of Manchoukuo shall conform to the laws and ordinances of Japan.

2. The Government of Manchoukuo shall take the steps necessary for the protection of the rights and interests which, at the time of the coming into force of the treaty, Japanese subjects enjoy under the laws and ordinances of Japan or by usage.

II. Ad Article 4 of the treaty.

1. The Government of Manchoukuo shall levy no charge whatever in recognizing the establishment of juristic persons under the present article.

2. The Government of Manchoukuo shall safeguard the benefit of reduced rates of tax at present enjoyed by the juristic persons whose establishment has been recognized by them under the present article.

III. Ad Article 3 of the supplementary agreement:

1. The cases to be disposed of under the first paragraph of the present article the subsequent procedure that occurs in connection with the cases dealt with by Japanese consular officers before the coming into force of the treaty, or with the cases to be dealt with by Japanese consular officers under the first paragraph of the present article.

2. The criminal cases that occur in connection with the judicial procedure to be fulfilled by Japanese consular officers under the first paragraph of the present article shall be disposed of in the same way as the cases under the said paragraph.

IV. Ad Article 8 of the supplementary agreement:

With regard to registrations made under the laws and ordinances of Japan, the Government of Manchoukuo shall regard rights pertaining to immovable property as the similar or analogous rights, and trade marks and managers as such respectively, under the laws and ordinances of Manchoukuo.

V. Ad Article 9 of the supplementary agreement:

1. The Government of Manchoukuo shall, as a general principle, establish advisory bodies in places where local committees have hitherto existed, in order that the local authorities of that country can ascertain the opinions of residents within the South Manchuria Railway Zone in respect of such local administration as directly affects the welfare and interests of such residents.

2. The public imposts at present collected by the South Manchuria Railway Company within the Railway Zone shall be abolished simultaneously, with the transfer of the administration over the said zone.

VI. Ad Article 15 of the Supplementary agreement:

1. The educational administration mentioned in the first paragraph of the present article refers, as a general principle, to that concerning primary education.

2. The Government of Manchoukuo shall as far as possible improve and replenish the system of primary education for Japanese

subjects; as occasion arises, the Government of Manchoukuo shall grant a reasonable amount of subsidy to bodies conducting such educational work, and the Government of Japan shall also afford them financial assistance.

3. The Government of Manchoukuo shall, in accordance with a decision to be made by consultation between the Japanese Ambassador Extraordinary and Plenipotentiary to Manchoukuo and the Prime Minister of that country, pay each year a share of the expenses of the educational work for Japanese subjects conducted by Japanese within the territories of Manchoukuo.

VII. Ad Article 17 of the Supplementary agreement:

The judicial authorities of Japan referred to in the present article are, for the time being, its consular officers.

VIII. Ad Article 19 of the Supplementary agreement:

The Government of Manchoukuo shall with regard to the institutions and staffs concerned, taken over by them under the present treaty, take appropriate steps with a view to facilitating the disposal of business relating to the organization of the said institutions, the assignment of the said staffs, et cetera.

IX. Ad Article 20 of the supplementary agreement:

The Government of Manchoukuo may cause Japanese subjects to have renewed by that Government the certificates of approval, of permission, of license, et cetera, issued by the competent authorities of Japan before the coming into force of the treaty, provided that the said Government shall levy no charge in connection therewith.

Done at Hsinking this fifth day of the 11th month of the 12th Year of Showa, corresponding to the fifth day of the 11th month of the Fourth Year of Kangte.

(L.S.) KENKICHI UEDA,
Ambassador Extraordinary and Plenipotentiary
of Japan to Manchoukuo.

(L.S.) CHANG CHING-HUI,
Prime Minister of Manchoukuo.

SUPPLEMENTARY AGREEMENT (B)

In signing today the Treaty between Japan and Manchoukuo concerning the abolition of extraterritoriality in Manchoukuo and the transfer of the administrative rights over the South Manchuria Railway Zone, the respective plenipotentiaries of the two countries have agreed as follows with reference to communication and allied business in Manchoukuo.

Article 1

Of the communication business within the South Manchuria Railway Zone, that which relates to third countries shall be conducted and controlled by the Japanese administrations until the time to be decided upon by consultation between the Japanese Ambassador Extraordinary and Plenipotentiary to Manchoukuo and the Prime Minister of that country.

Article 2

The Government of Japan may entrust to the Government of Manchoukuo the conduct of business of a kind which exists under the internal system of Japan but which does not exist under the internal system of Manchoukuo, and of other kind of business which is considered to be of special necessity. The kind and the scope of the business to be so entrusted shall be provided for in a business agreement to be concluded between the competent authorities of Japan and of Manchoukuo.

The Government of Manchoukuo shall, with all the attention required of a bona fide trustee, dispose of the business entrusted to them under the preceding paragraph, on behalf of the Government of Japan, in accordance with the provisions of its laws and ordinances.

The Government of Japan shall pay to the Government of Manchoukuo fees for the disposal of the business entrusted to the latter.

Article 3

The currency to be used in connection with the business entrusted under the preceding article shall be Manchoukuo currency.

The rate of exchange between Japanese and Manchoukuo currencies shall be decided upon by consultation between the competent authorities of Japan and of Manchoukuo.

Article 4

Matters relating to the operation of the present agreement shall be provided for in a business agreement to be concluded between the competent authorities of Japan and of Manchoukuo.

Article 5

The protocol of signature attached to the treaty between Japan and Manchoukuo concerning postal business signed at Hsinking on the 26th of December, the 10th Year of Showa, corresponding to the 26th of December, the Second Year of Kangte, shall cease to be in force.

Article 6

The present agreement shall come into force simultaneously with the treaty.

In witness whereof, the plenipotentiaries of Japan and of Manchoukuo have signed this agreement and affixed their seals thereto.

Done at Hsinking this fifth day of the 11th month of the 12th Year of Showa, corresponding to the fifth day of the 11th Month of the Fourth Year of Kangte.

(L.S.) KENKICHI UEDA,
Ambassador Extraordinary and Plenipotentiary
of Japan to Manchoukuo.

(L.S.) CHANG CHING-HUI,
Prime Minister of Manchoukuo.

Agreement Terms of Understanding between the Plenipotentiaries of Japan and of Manchoukuo concerning Communication and Allied Business in Manchoukuo.

I. The Government of Manchoukuo shall recognize the use of Japanese currency until the time to be decided upon by consultation between the competent authorities of Japan and of Manchoukuo.

II. The competent authorities of Manchoukuo shall keep in close contact with the competent authorities of Japan with operation of the system and equipment concerning the business entrusted.

III. With regard to the business entrusted, the Government of Manchoukuo shall levy no public imposts or fees which are not at present imposed in Japan.

Done at Hsinking this fifth day of the 11th month of the 12th Year of Showa, corresponding to the fifth day of the 11th month of the Fourth Year of Kangte.

(L.S.) KENKICHI UEDA,
Ambassador Extraordinary and Plenipotentiary
of Japan to Manchoukuo.

(L.S.) CHANG CHING-HUI,
Prime Minister of Manchoukuo.

Treaty of Friendship, Commerce and Navigation between Manchoukuo and Italy.

His Majesty The Emperor of Manchoukuo and His Majesty The King of Italy, Emperor of Ethiopia, being desirous of strengthening the relations of amity and good understanding which happily exist between their two countries and of developing the commercial relations between them, have resolved to conclude to this end a Treaty of Friendship, Commerce and Navigation and have named Their Plenipotentiaries, that is to say:

HIS MAJESTY THE EMPEROR OF MANCHOUKUO: His Excellency Yuan Chen-tuo, His Ambassador Extraordinary and Plenipotentiary at Tokyo Second Order of the Chingyun;

HIS MAJESTY THE KING OF ITALY, EMPEROR OF ETHIOPIA: His Excellency Ettore Conti, His Ambassador Extraordinary and Plenipotentiary, Grand Cross of the Italian Crown, Senator of the Kingdom of Italy;

Who, after having communicated to each other their respective full powers, found to be in good and due form, have agreed upon the following articles:

Article 1. There shall be between Manchoukuo and Italy constant peace and perpetual friendship.

Article 2. Each of the High Contracting Parties shall accredit its Diplomatic Representative to other Party.

Article 3. Each of the High Contracting Parties may appoint Consular Representatives to reside at ports and places which shall be separately arranged within the territories of the other Party.

Such Consular Representatives, however, shall not exercise their functions until they receive exequaturs or other sufficient authorizations from the Government of the country to which they are appointed.

The said Consular Representatives shall, on condition of reciprocity, enjoy, within the territories of the other Party, rights, privileges and immunities which are or shall be granted to the Consular Representatives of the most favoured nation.

Article 4. The High Contracting Parties have agreed to regulate the general intercourse between them according to the following principles:

(1) Each of the High Contracting Parties shall, according to its laws and regulations, give to the nationals of the other (a) liberty to enter, travel and reside in its territories and (b) complete protection and constant security for their persons and property.

(2) Each of the High Contracting Parties shall, in its territories, according to its laws and regulations, give as a rule to the nationals of the other, concerning matters of commerce and navigation, matters of freedom to engage in industry, commerce and other peaceful occupations, matters of imposition of taxes and charges, and matters of property, the same treatment as accorded to the nationals of the most favoured nation.

Article 5. The High Contracting Parties shall cooperate with each other to adjust and promote the intercourse between them and to facilitate the increase of mutual trade on a basis of equilibrium and reciprocity.

Article 6. The present Treaty shall be ratified and the ratifications shall be exchanged at Rome as soon as possible.

It shall enter into operation on the date of the exchange of ratifications and shall remain in force until it shall have been terminated by either of the High Contracting Parties on giving twelve months' notice to that effect to the other.

IN WITNESS WHEREOF, the respective Plenipotentiaries have signed this Treaty and hereunto affixed their respective seals.

Done at Tokyo, in duplicate, in English language, this fifth day of the seventh month of the fifth year of Kangte, corresponding to the fifth day of July of the year 1938 of the Christian Era-XVI° E.F.

C. T. YUAN (L.S.)
ETTORE CONTI (L.S.)

FOREIGN TRADE CONTROL LAW

(Promulgated December 9, 1937, Imperial Ordinance No. 445)
(Amended September, 1940, Imperial Ordinance No. 232)

Article 1

The Government may, as may be provided by Imperial Ordinance, impose export surtaxes or import surtaxes equivalent to or less than the prices of commodities in addition to export duties or import duties as stipulated in the Export Duty Table attached to the Customs Tariff Law, reduce or not impose export duties or import duties, or restrict or prohibit the exportation or importation of commodities, when deemed necessary for regulating the demand and supply or the prices of commodities.

The Government may order persons engaged in the export or import trade to export or import commodities, when deemed particularly necessary in the case mentioned in the preceding paragraph.

Article 2

The Government may, as may be provided by Imperial Ordinance, restrict or prohibit the exportation or importation of commodities, when deemed necessary in the case of regulating foreign trade in order to balance exports and imports to and from any specific country.

The Government may order persons engaged in the export or import trade to export or import commodities, when deemed necessary in the case mentioned in the preceding paragraph.

Article 3

The Government may, as may be provided by Imperial Ordinance, impose import surtaxes equivalent to or less than the prices or commodities in addition to import duties as stipulated in the Import Duty Table attached to the Customs Tariff Law, or restrict or prohibit the exportation or importation thereof, when deemed necessary for protecting foreign trade or domestic industries against measures which have been or are to be taken by foreign countries or foreign trade firms.

Article 4

The Government may order persons engaged in the export or import trade to organize associations for the purpose of controlling the exportation or importation of any commodities or designate persons who may export or import the commodities in question, when deemed necessary in the case mentioned in Article 3.

The Government may give instructions necessary for the control of exports or imports to the associations established, or the persons designated, under the provisions of the preceding paragraph.

Article 5

The Government may collect reports from persons engaged in the export or import trade or cause the officials concerned to examine their account books etc.

Article 6

A person who has exported or imported or attempts to export or import commodities in violation of the restrictions or prohibitions stipulated in Article 1 to Article 3 inclusive shall be liable to imprisonment for less than three years or to a fine of less than 5,000 Yuan.

The commodities exported or imported or to be exported or imported in the case mentioned in the preceding paragraph may, in case they are owned by or in the possession of the persons in question, be liable to confiscation; in case it is impossible to confiscate the whole or part of such commodities, the amount thereof may be collected as an additional forfeit.

Article 7

A person who has failed to export or import commodities in violation of orders given under the provisions of Paragraph 2 of Article 1 or Paragraph 2 of Article 2 shall be liable to imprisonment for less than three years or to a fine of less than 5,000 Yuan.

Article 8

A person who has committed the crime stipulated in Article 2 may, in consideration of the extenuating circumstances, be liable to both imprisonment and a fine.

Article 9

A person who has violated the provisions of Paragraph 2 of Article 4 shall be liable to imprisonment for less than one year or to a fine of less than 5,000 Yuan.

Article 10

A person who has failed to submit a report in violation of instructions given under the provisions of Article 5, has submitted a false report or has obstructed an official examination of his account books etc. shall be liable to imprisonment for less than six months or to a fine of less than 1,000 Yuan. This stipulation shall apply also to a person who has mentioned false things in the documents which are required to be submitted to the Government in accordance with instructions given under the provisions of Article 1 to Article 3 inclusive.

Article 11

In case an employee or any other person engaged commits any of the acts coming under the penalty clause of this Law in connection with the business of his employer, not only the person committing such act but also the principal (Note: the employer) shall be punished. In case, however, the principal suffers from a mental derangement or is under age, not possessing the same business abilities as a person of full age, his legal representative shall be punished.

Article 12

In case an employee of, or any other person engaged by, a juridical person commits any of the acts coming under the penalty clause of this Law in connection with the business of the juridical person, not only the person committing such act but also the executive representative or official of the said juridical person shall be punished.

In case the executive representative or official of a juridical person commits any of the acts mentioned in the preceding paragraph, he shall be punished.

Article 13

When the principal, legal representative or official liable to punishment in the cases mentioned in Article 9 or Paragraph 1 of the preceding article has proved that there has been no way to prevent the act of offence concerned, he shall not be punished.

Article 14

The penalty clause of this Law shall apply also to the acts which an employee of or any other person engaged by, a juridical person residing within the territory where this Law is in force has committed outside of the said territory. This stipulation shall apply also to the acts which the executive representative or official or employee of, or any other person engaged by, a juridical person having its head office or principal business office within the territory where this Law is in force, has committed outside of the said territory.

Supplementary

This Law shall come into force on the day of promulgation.

REGULATIONS RELATING TO RESTRICTION OF EXPORTS AND IMPORTS, BASED ON THE FOREIGN TRADE CONTROL LAW

Promulgated December 9, 1937, Imperial Ordinance No. 446.

Amended by Imperial Ordinance No. 151 of July, 1938, Imperial Ordinance No. 282 of December, 1938, Imperial Ordinance No. 123 of May, 1939, Imperial Ordinance No. 152 of June, 1939, Imperial Ordinance No. 316 of December, 1939 and Imperial Ordinance No. 233 of December, 1940.

Article 1

A person exporting or importing commodities shall obtain permission therefor, excepting cases designated by the Minister of Finance and Commerce.

Article 2

The Minister of Finance and Commerce may invest in customs superintendents part of his powers regarding the granting of permission stipulated in the preceding article.

Article 3

The Minister of Finance and Commerce shall determine matters necessary for the enforcement of the present Regulations.

Article 4

Important matters relating to the granting of permission stipulated in Article 1 shall be determined after consultations between the Minister of Finance and Commerce and the Minister for Agricultural Development.

Supplementary

The present Regulations shall come into force on the day of promulgation.

REGULATIONS RELATING TO ENFORCEMENT OF IMPERIAL ORDINANCE NO. 44 of 1937

Promulgated December 9, 1937, Department of Finance and Commerce Ordinance No. 57.

Amended by Department Ordinance No. 29 of July, 1938, Department Ordinance No. 61 of December, 1938, Department Ordinance No. 68 of December, 1939, and Department Ordinance No. 49 or September, 1940.

Article 1

In accordance with the provisions of Imperial Ordinance No. 446 of 1937 (referred to hereinafter as the Imperial Ordinance), the permission of the Minister of Finance and Commerce is not required to be obtained in cases where the following goods are exported or imported:

1. Articles to be used by the Imperial Household;
2. Articles belonging to foreign sovereigns and his relatives and attendants visiting this country;
3. Private articles belonging to foreign ambassadors and ministers or envoys of the similar status, officials of foreign embassies, legations and to foreign consulates, who are despatched to this country, and official articles belonging to foreign embassies, legations and consulates in this country, provided they be so treated under mutual conditions;
4. Articles used by ships, the fittings of transport machines entering and leaving the frontier, or articles consumed by such machines themselves;
5. Personal effects of travellers and articles belonging to individuals in the case of house-removal;
6. Articles to be displayed at exhibitions, competitive exhibitions and the like;
7. Articles used as samples and specimens or for the purposes of experimentation and academic researches;
8. Articles coming under the provisions of Article 35 to Article 38 inclusive of the Customs Tariff Law;
9. Gifts, comforts, relief articles and others which are not priced and which are duly recognized by customs superintendents, and
10. Articles to be exported or imported for other purposes than for sale, in addition to those mentioned in the preceding items, which are duly recognized by customs superintendents.

Article 2

A person desiring to obtain permission under Article 1 of the Imperial Ordinance shall submit to the Minister of Finance and Commerce an application for an export permit containing the following particulars:

1. Name of article;
2. Quantity and value;
3. Full name and address of the applicant, location of his business office (In case the applicant is a juridical person, the name and location of his office or business office;
4. Destination;
5. Method of collecting payment, and
6. Name of the custom-house to which the export procedure is to be instituted.

Article 3

A person desiring to obtain permission under Article 2 of the Imperial Ordinance shall submit to the Minister of Finance and Commerce an application for an import permit containing the following particulars:

1. Name of article;
2. Quantity and value;
3. Place of production or manufacture;
4. Full name and address of the applicant and location of his business office (In case the applicant is a juridical person, the name and location of his office or business office;
5. Destination, and
6. Name of the custom-house to which the import procedure is to be instituted.

Article 4

A person who has obtained permission under Article 1 of the Imperial Ordinance shall export or import the articles (goods) concerned within three months after the day on which the said permission is granted.

The Minister of Finance and Commerce may approve an extension of the period stipulated in the preceding paragraph only in cases where he has recognized a good reason for such extension.

In case a person fails to export or import the articles (goods) concerned within the period mentioned in the preceding two paragraphs, the permission granted shall become invalid.

In the case mentioned in the preceding paragraph, the export or import permit granted by the Minister of Finance and Commerce shall be returned to the Minister of Finance and Commerce.

Article 5

In case a person obtaining permission under Article 1 of the Imperial Ordinance desires to change any of the matters coming under Item 4 to Item 6 inclusive of Article 2 or Items 3, 5 and 6 of Article 3 shall obtain permission of the Minister of Finance and Commerce for such change.

Article 6

In case a person obtaining permission under Article 1 of the Imperial Ordinance exports or imports the articles (goods) concerned shall submit the export or import permit granted by the Minister of Finance and Commerce to the custom-house to which the export or import procedure is to be instituted.

Article 7

The documents which are required to be submitted to the Minister of Finance and Commerce under the provisions of the present Regulations shall be submitted through the custom-house to which the export or import procedure is to be instituted. In case, however, it is difficult to submit the same through the custom-house concerned for reasons of urgency, the same may be submitted through a different custom-house.

Supplementary

Article 8

The present Regulations shall come into force on the day of promulgation.

Article 9

Department of Industry Ordinance No. 22 and Department of Finance Ordinance No. 30 of 1936 shall be repealed.

Article 10

A person who has instituted the necessary procedure under the provisions of the related Department Ordinances before enforcement of the present Regulations shall be regarded as having instituted the procedure stipulated in the present Regulations.

Article 11

The provisions of the present Regulations hall not apply to the exportation of maize and castor-seeds and the importation of leaf tobacco, manufactured tobacco, sugar and soda-ash under sale contracts concluded before the day on which the present Regulations are enforced, and for which customs declarations have been made by the end of December, 1937.

REGULATIONS RELATING TO ISSUANCE OF CERTIFICATES OF ORIGIN

Promulgated September 1, 1938, Department of Finance and Commerce Ordinance No. 39.

Article 1

A person exporting articles produced or manufactured in this country may apply for the issuance of a certificate of origin by a customs superintendent.

Article 2

A person deiring to obtain a certificate of origin shall submit to the superintendent of the nearest custom-house an application containing the following particulars regarding the goods to be exported:

1. Name of goods;
2. Quantity;
3. Value;
4. Mark and number;
5. Kind of package and number of packages;
6. Place of production or manufacture;
7. Place of despatch, and
8. Destination.

Article 3

A person desiring to obtain a certificate of origin shall pay charges of five chiao (0.5 Yuan) per copy.

The charges mentioned in the preceding paragraph shall be paid in revenue stamps.

Supplementary

The present Regulations shall come into force on the day of promulgation.

THE FOREIGN EXCHANGE CONTROL LAW

Promulgated by Imperial Decree No. 141 of November 30, 1935.
Amended by
(1) Imperial Decree No. 293 of October 8, 1937.
(2) Imperial Decree No. 206 of August 18, 1938.
(3) Imperial Decree No. 184 of July 27, 1939.

Article 1

The Government may, as may be provided by Ordinance, prohibit or restrict the following transactions or acts:

1. Acquisition or disposal of foreign currencies or foreign exchange;
2. Exportation or importation of currency or foreign currencies;
3. Remittances to foreign countries by methods not included in the preceding two items;
4. Exportation or transportation of gold bullion, gold alloys, articles principally composed of gold, or silver bullion;
5. Payments made in this country under instructions given in foreign countries;
6. Fixing of Foreign exchange rates;
7. Acquisition or disposal of securities, claims or obligations indicated in foreign currencies;
8. Acquisition or disposal of claims on, or obligations of, persons residing in foreign countries, which are indicated in domestic currency;
9. Issuance or acquisition of letters of credit;
10. Acts of granting credit to persons residing in foreign countries;
11. Exportation or importation of securities;
12. Exportation or importation of goods for which a bill of exchange is not drawn to cover the whole or part of the price thereof; and
13. Acquisition or disposal of other properties in foreign countries than those mentioned in Item 1, Item 7 or Item 8.

Article 2

The Government may, as may be provided by Ordinance, collect reports or conduct examinations of books etc., in respect of necessary matters relating to the prohibitions or restrictions as referred to in the preceding article, or the orders of disposal issued under the provisions of Article 4.

Article 3

The Government may, as may be provided by Ordinance, limit transactions relating to foreign exchange only to cases where the other party to transactions is the Central Bank of Manchou or other person designated by the Government.

Article 4

The Government may, as may be provided by Ordinance, order persons holding properties as listed below to sell the same to the Central Bank of Manchou and others designated by the Government, or order the necessary disposal thereof:

1. Gold bullion, silver bullion, foreign currencies or foreign exchange;
2. Securities or claims indicated in foreign currencies, or claims indicated in domestic currency on persons residing in foreign countries;
3. Other properties in foreign countries than those enumerated in the preceding two items.

In case, in accordance with the preceding paragraph, sale is ordered to the person designated by the Government, the selling price shall be in conformity with the decision of the Minister of Finance and Commerce.

Article 5

Any person who has contravened the prohibition or restriction of transactions or acts regulated by an Ordinance issued under the provisions of Article 1 or Article 3 shall be liable to penal servitude not exceeding three years or to a fine not exceeding Yen 10,000; provided, however, that when three times the value of the subject matter of the transaction or act involved exceeds Yen 10,000, the fine shall not exceed an amount three times the said value.

The preceding paragraph shall also be applicable to any person who, in contravention of an Ordinance to be issued under the provisions of Article 1, acquires currency or foreign currencies for the purpose of exporting or importing the same, or attempts to export or import the same.

Paragraph 1 shall also be applicable to any person who, in contravention of an Ordinance issued under the provisions of Article 1, has acquired gold bullion, gold alloys, articles principally composed of gold, or silver bullion for the purpose of exporting the same, or has attempted to import the same.

Any person who has defied the orders given by the Government in accordance with an Ordinance issued under the provisions of the preceding article, regarding the disposal or sale of gold bullion etc. shall be liable to penal servitude not exceeding one year or to a fine not exceeding an amount twice the value of the gold bullion etc. involved.

Any person who, in contravention of an Ordinance to be issued under the provisions of Article 2, has failed to submit a report, submitted a false report, refused to permit an examination of his books etc., or who has obstructed the said examination by concealing his books and documents, making an untrue statement, and by other means, shall be liable to penal servitude not exceeding six months or to a fine not exceeding Yen 5,000; this stipulation shall also be applicable to any person who deceives the Government by making a false statement in the application for permission and other documents filed with the Government in accordance with an Ordinance issued under the provisions of the present Law, or by other means.

Article 6

In case a representative of a juridical person, or an agent or an employee of, or any other person engaged by, a juridical person or an individual commits the violations as referred to in the preceding article in connection with the business of the said juridical person or individual, not only shall the person committing such violation be liable to the stipulated penalties, but the said juridical person or individual shall also be liable to the fine stipulated in the preceding article.

Article 7

The penalty clause of the present Law shall also be applicable to the acts which a representative, an agent or an employee of, or any other person engaged by, a juridical person having its head office or principal business office within the territory where this Law is in force commits outside the said territory; this stipulation shall also be applicable to the acts which an individual residing within the territory where this Law is in force, or a representative or an employee thereof, or any other person engaged by him commits outside the said territory.

Article 8

The Government may cause the Central Bank of Manchou to conduct the business relating to the granting of permission for the transactions or acts as regulated by an Ordinance to be issued under the provisions of Article 1.

Expenses incidental to the conduct of the business as referred to in the preceding paragraph shall be borne by the Central Bank of Manchou.

Employees of the Central Bank of Manchou who are engaged in the said business under the provisions of Paragraph 1 shall be legally regarded as persons engaged in public service.

Supplementary

The present Law shall come into force on December 10, 1935.

The Law Prohibiting the Exportation of Gold shall be repealed, but in respect of the acts that should have been regulated by the penalty clause of the said Law before enforcement of the present Law the former Law shall apply.

Supplementary

(Imperial Decree No. 293 of October 8, 1937)

The present Law shall come into force on the day of promulgation.

Supplementary

(Imperial Decree No. 206 of August 18, 1938)

The present Law shall come into force on the day of promulgation.

Supplementary

(Imperial Decree No. 184 of July 27, 1939)

The present Law shall come into force on the day of promulgation.

AMENDMENT TO THE FOREIGN EXCHANGE CONTROL LAW

(Imperial Ordinance No. 193 of August 1, 1941)

1. The following two articles shall be added after Article 1:

Article 1-2

The Government may, as may be provided by Ordinance, designate a country or countries and prohibit or restrict the following transactions or acts by nationals, juridical persons or residents thereof or by juridical person affiliated therewith:

1. Acquisition or disposal of immovables and other important properties;
2. Letting and leasing or placing or receiving in trust immovables or valuable instruments (Wertpapier);
3. Offsetting claims and debts or guaranteeing or assuming debts;
4. Acts related to consumption loans or consumption trust, and
5. Acquisition or disposal of currency or Japanese currency.

Article 1-3

The Government may, as may be provided by Ordinance, prohibit or restrict the transactions or acts mentioned in the various items of the preceding article which may be performed on behalf of persons coming under the preceding article or with such persons as the other parties.

2. "the preceding paragraph" in Article 2 shall be changed to "the preceding three articles."
3. "Article 1 or Article 3" in Paragraph 1 or Article 5 shall be changed to "Article 1 to Article 1-3 inclusive or Article 3."
4. "the provisions of Article 1" in Paragraph 1 or Article 8 shall be changed to "the provisions of Article 1 to Article 1-3 inclusive."

Supplementary

This Law shall come into force on the day of promulgation.

FOREIGNERS' TRANSACTIONS CONTROL REGULATIONS

DEPARTMENT OF FINANCE AND COMMERCIAL ORDINANCE NO. 46 OF AUGUST 1, 1941, which reads:

> In accordance with the provisions of Article 1-2 and Article 1-3 of the Foreign Exchange Control Law, the Foreigners' Transactions Control Regulations are hereby promulgated.
>
> (Signed) Minister of Finance and Commerce.

Article 1

A designated country within the meaning of this Ordinance is a foreign country designated by the Minister of Finance and Commerce.

A designated country as referred to in the preceding paragraph shall be announced by the Minister of Finance and Commerce.

Article 2

A national of a designated country within the meaning of this Ordinance is a person having the nationality of a designated country.

Article 3

A juridical person of a designated country within the meaning of this Ordinance is:

1. A designated country, or an administrative district, a public organization or what corresponds to such organization of a designated country;
2. A juridical person having its head office or principal office within a designated country, or
3. A juridical person established under the laws and ordinances of a designated country and not falling under any of the foregoing items.

Article 4

A juridical person affiliated with a designated country within the meaning of this Ordinance is a juridical person other than that of a designated country and falling under any of the following categories:

1. More than one-half of its capital is held by a national of a designated country or by a juridical person of a designated country;
2. Its management is controlled by a national of a designated country or by a juridical person of a designated country in other relations than the preceding item, or
3. More than one-half of its capital is held by a national of a designated country or by a juridical person of a designated country

or by those falling under Item 1 or Item 2, or its management is controlled by them in other relations.

Article 5

A resident of a designated country within the meaning of this Ordinance is:

1. A person residing or domiciled in a designated country but who is not a national of a designated country, or
2. A branch or a business office of a juridical person, located in a designated country, which is neither a juridical person of a designated country nor a juridical person affiliated with a designated country.

Article 6

A domestic juridical person of foreign extraction (including a Japanese juridical person: the same hereinafter) within the meaning of this Ordinance is a domestic juridical person falling under any of the following categories:

1. More than one-half of its capital is held by a foreigner or a foreign juridical person;
2. Its management is controlled by a foreigner or a foreign juridical person in respect of relations other than the preceding item, and
3. More than one-half of its capital is held by a foreigner, a foreign juridical person or by those falling under Item 1 or Item 2, or its management is controlled by them other relations.

Article 7

Unless permission of the Minister of Finance and Commerce is obtained, a national of a designated country, a juridical person of a designated country, a juridical person affiliated with a designated country or a resident of a designated country (generically referred to hereinafter as a designated foreigner) shall not acquire or dispose of any of the following properties, excepting, however, cases where permission has been obtained under the provisions of Article 10 or Article 11:

1. Immovables, or perpetual leases obtained under laws and ordinances hitherto in force;
2. Movables (excluding currency, Japanese currency, foreign currencies—Japanese currency excepted: the same hereinafter—Japanese currency excepted: the same hereinafter—valuable instruments (Wertpapier) or what correspond to valuable instruments, the value of which is in excess of the equivalent of one hundred (100) Yuan;
3. "Tien Chuan" (Translator's note: "Tien Chuan" is a system of mortgaging real estate, peculiar to Manchoukuo and China, under which the mortgaged real estate is offered for utilization and occupancy by the creditor; the loan bears no interest), superfices, easements or right of repurchasing immovables;
4. Pledge and mortgage rights;

5. Mining rights, mine leases or lumbering rights;
6. Rights of industrial ownership or what correspond thereto;
7. Enterprises, business, or investments in enterprises or business (excluding valuable instruments);
8. Valuable instruments, the value of which is in excess of the equivalent of twenty(20) Yuan (excluding foreign and domestic bills of exchange) or what correspond thereto (excluding railway and steamship tickets for trips within the country or what correspond thereto);
9. Domestic bills of exchange, and
10. Foreign currencies.

A person desiring to obtain permission for the performance of any of the acts mentioned in the preceding paragraph shall submit an application for a permit.

Article 8

Unless permission of the Minister of Finance and Commerce is obtained, a designated foreigner shall not dispose of or acquire by transfer any claim expressed in foreign or domestic currency, excepting, however, cases where permission has been obtained under the provisions of Article 9 or Article 12.

The foreign or domestic currency claim mentioned in the preceding paragraph shall not include foreign and domestic bills of exchange, valuable instruments or what correspond to valuable instruments.

A person desiring to obtain permission for the performance of any of the acts mentioned in Paragraph 1 shall submit an application for a permit.

A person desiring to obtain permission for the performance of any of the acts mentioned in Pragraph 1 shall submit an application for a permit.

Article 9

Unless permission of the Minister of Finance and Commerce is obtained, a designated foreigner shall not offset claims and debts.

A person desiring to obtain permission for the performance of the act mentioned in the preceding paragraph shall submit an application for a permit.

Article 10

Unless permission of the Minister of Finance and Commerce is obtained, a designated foreign shall not perform any of the following acts, excepting, however, cases where permission has been obtained under the provisions of Article 12:

1. Placing or receiving in trust immovables, movables the value of which is in excess of the equivalent of one hundred (100) Yuan (excluding foreign currencies, valuable instruments or what correspond to valuable instruments), valuable instruments the value of which is in excess of the equivalent of twenty (20) Yuan, or foreign currencies;

2. Receiving back any of the properties mentioned in the preceding item which has been placed in trust, and
3. Returning any of the properties mentioned in Item 1.

Article 11

Unless permission of the Minister of Finance and Commerce is obtained, a designated foreigner shall not let or lease and sublet or sublease immovables, movables the value of which is in excess of the equivalent of one hundred (100) Yuan (excluding currency, foreign currencies, valuable instruments or what correspond to valuable instruments or what correspond to valuable instruments, the value of which in in excess of the equivalent of twenty (20) Yuan, or acquire or dispose of leases.

A person desiring to obtain permission for the performance of any of the acts mentioned in the preceding garagraph shall submit an application for a permit.

Article 12

Unless permission of the Minister of Finance and Commerce is obtained, a designated foreign shall not perform any of the following acts:

1. Advancing or recovering a loan;
2. Contracting or redeeming a debt;
3. Placing or withdrawing a deposit, and
4. Receiving or paying back a deposit.

A person desiring to obtain permission for the performance of any of the acts mentioned in the preceding paragraph shall submit an application for a permit.

Article 13

Unless permission of the Minister of Finance and Commerce is obtained, a designated foreigner shall not acquire or dispose of currency or Japanese currency amounting to more than five hundred (500) Yuan (500 Yuan for each household if not a juridical person) in one month's time, excepting, however, cases where it is necessary to perform any of the acts for which permission has been obtained under the provisions of Article 7, Article 8 and Article 10 to Article 12 inclusive of Department of Finance and Commerce Ordinance No. 23 of 1937 and which may become the cause of the acquisition or disposal of such.

A person desiring to obtain permission for the performance of any of the acts mentioned in the preceding paragraph shall submit an application for a permit.

Article 14

The provisions of Item 1 to Item 6 inclusive of Article 4, Paragraph 2 of Article 5, the provisory clause of Article 5-2, Items 1 and 2 of Article 10, Items 1, 2, 4 and 5, Paragraph 1 of Article 12, the provisory clause of Article 13, the provisory clause of Paragraph 1 of Article 14 the first part of the provisory clause of Paragraph 2 of Article 18, Item 1 to Item 4 inclusive of Article 18-2, Item 1 to Item 4 inclusive, Paragraph 1 of Article 18-3, Item 1 to Item 5 inclusive, Paragraph 1 of Article 20, Paragraph 2 and 3 of Article 20, the provisory clause of Paragraph 1 of Article 27-4 and the provisory clause of Article 28 of Department of Finance and Commerce Ordinance No. 23 of 1937 and Item 1 of Article 1 of Department of Finance and Commerce Ordinance No. 25 of 1937 shall not apply to a designated foreigner.

Article 15

The provisions of Article 7 to Article 13 inclusive to the contrary notwithstanding, a designated foreigner may not be required, in the following cases, to obtain permission of the Minister of Finance and Commerce for the performance of any of the acts mentioned in Article 7 to Article 13 inclusive:

1. Where necessary to pay taxes and public imposts or what correspond thereto;
2. Where necessary to pay salaries, allowances and what correspond thereto to employees and other persons engaged who are nationals of this country (including Japanese nationals residing or domiciled in Manchoukuo), and
3. In cases corresponding to those designated by the Minister of Finance and Commerce.

Article 16

The provisions of Article 7 to Article 15 inclusive shall apply with the necessary modifications to the acts which a person other than a designated foreigner may perform on behalf of a designated foreigner.

Article 17

The provisions of Article 7 to Article 13 inclusive shall apply with the necessary modifications to the acts which a person other than a designated foreigner may perform with a designated foreigner as the other party, excepting, however, cases designated by the Minister of Finance and Commerce.

Designated cases as referred to in the provisory clause of the preceding paragraph shall be announced by the Minister of Finance and Commerce.

Article 18

Unless permission of the Minister of Finance and Commerce is obtained, a person other than a designated foreigner shall not sell to an exchange bank a foreign exchange bill payable by a designaetd foreigner or a foreign exchange bill covering export goods destined for a designated country.

A person desiring to obtain permission for the performance of the act mentioned in the preceding paragraph shall submit an application for a permit.

Article 19

Unless permission of the Minister of Finance and Commerce is obtained, no person shall hold or supervise or cease to hold or supervise any property on behalf of a designated foreigner, excepting, however, cases where permission has been obtained under the provisions of Article 10, Article 16 or Article 17.

A person desiring to obtain permission for the performance of the act mentioned in the preceding paragraph shall submit an application for a permit.

Article 20

With regard to acts for which permission has been obtained under the provisions of Department of Finance and Commerce Ordinance No. 23 of 1937, permission is not required to be obtained under the provisions of this Ordinance.

Article 21

A person who has acquired by transfer any property from a designated foreigner after the day on which the Minister of Finance and Commerce made the designation stipulated in Article 1 or a person who has acquired by transfer the right to the said property shall be regarded as a designated foreigner in the application of this Ordinance to the said property.

The provisions of the preceding paragraph shall not apply to cases where a person has acquired by transfer any property or the right to the said property or the other party has disposed of the property or the right thereto with or without permission obtained under the provisions of this Ordinance or Department of Finance and Commerce Ordinance No. 23 of 1937.

Article 22

A designated foreigner shall submit a report to the Minister of Finance and Commerce each month on the details of any increase or decrease in his assets etc. and on the amount thereof outstanding as at the end of each month. This stipulation shall apply also to a person holding or supervising any property on behalf of a designated foreigner.

A person coming under the preceding paragraph shall submit a report to the Minister of Finance and Commerce on the amount of his assets etc. outstanding as on the day on which the Minister of Finance and Commerce makes the designation stipulated in Article 1, within two weeks after the said day.

Article 23

A person who has a claim on, or owes a debt from, a designated foreigner or who has made or obtained a capital investment to and from a designated foreigner shall submit a report to the Minister of Finance and Commerce each month on the details of any increase or decrease in such claim, debt or investment and on the amount thereof outstanding as at the end of each month.

A person coming under the preceding paragraph shall submit a report to the Minister of Finance and Commerce on the amount of his claim, debt or investment outstanding on the day on which the Minister of Finance and Commerce makes the designation stipulated in Article 1, within two weeks after the said day.

Article 24

A person who has performed an act on behalf of a designated foreigner or with a designated foreigner as the other party shall submit a report to the Minister of Finance and Commerce with regard to the said act.

Article 25

In case it is deemed exceedingly difficult, owing to business and other reasons, to obtain permission of the Minister of Finance and Commerce or to submit reports to the Minister of Finance and Commerce according to the procedure stipulated in this Ordinance, the Minister of Finance and Commerce may determine a special procedure.

Article 26

The Minister of Finance and Commerce may, when necessary, designate any matters or persons, collect other reports from such persons than those stipulated in this Ordinance, exempt them from submitting any of the reports stipulated in this Ordinance, or extend the period of time in which such reports are required to be submitted.

Article 27

The Minister of Finance and Commerce may, when necessary, designate any matters or persons as being exempted from limitations on the acts stipulated in this Ordinance.

Article 28

A person who is under obligation to submit a report within a prescribed period of time in accordance with the provisions of this Ordinance, in case it becomes impossible to submit the same within the said period owing to any accident or other unavoidable circumstances, shall submit the same without delay after the said accident or circumstances have ceased to exist, with a statement of reasons attached.

Supplementary

Article 29

This Ordinance shall come into force on the day of promulgation; but the reports which are required to be submitted under the provisions of Article 22 to Article 24 inclusive shall be submitted, beginning with the month in which the Minister of Finance and Commerce makes the designation stipulated in Article 1.

Article 30

In cases where the whole or part of the act for which permission has been obtained under the provisions of Department of Finance and

Commerce Ordinances No. 23 and No. 25 of 1937 but which has not been performed at the time of designation by the Minister of Finance and Commerce as stipulated in Article 1, the said permission shall become null and void within that scope.

The provisions of the preceding paragraph shall also apply with the necessary modifications to the permission obtained under the provisions of Department of Finance and Commerce Ordinance No. 23 of 1937 by a person who performs an act on behalf of a designated foreigner or with a designated foreigner as the other.

PROCEDURE RELATING TO APPLICATIONS AND REPORTS STIPULATED IN FOREIGNERS' TRANSACTIONS CONTROL REGULATIONS

(Department of Finance and Commerce Decree No. 127 of August 1, 1941)

Article 1

A person desiring to obtain permission of the Minister of Finance and Commerce under the provisions of Department of Finance and Commerce Ordinance No. 46 of August 1, 1941—The Foreigners' Transactions Control Regulations (simply referred to hereinafter as the Control Regulations)—in respect of transactions or acts shall, in accordance with the provisions of this Ordinance, prepare an application in duplicate and submit the same to the Minister of Finance and Commerce through the nearest Central Bank of Manchou (comprising its head office, main branches and branches: the same hereinafter), excepting, however, the cases separately provided for.

In case it is exceedingly difficult, for business and other reasons, to obtain permission by the method stipulated in the preceding paragraph, the said reasons may be stated to the Minister of Finance and Commerce. In this case, the Minister of Finance and Commerce may determine a special procedure.

Article 2

An application for permission regarding acquisition or disposal of any property under the provisions of Article 7 of the Control Regulations shall contain the following particulars:

1. Address, nationality, occupation and full name or trade name of the applicant;
2. Kind, location, quantity and value of the property to be acquired or disposed of;
3. Address, nationality, occupation and full name or trade name of the other party to the acquisition or disposal;
4. Method of acquisition or disposal;
6. Purpose of the acquisition or disposal and reason for its necessity, and

7. Other particulars for information.

Article 3

An application for permission regarding disposal or acquisition by transfer of any claim under the provisions of Article 8 of the Control Regulations shall contain the following particulars:

1. Address, nationality, occupation and full name or trade name of the applicant;
2. Kind and amount of the claim to be disposed of or to be acquired by transfer;
3. Address, nationality, occupation and full name or trade name of the other party to the disposal or acquisition by transfer;
4. Method of disposal or acquisition by transfer;
5. Time of the disposal or acquisition by transfer and reason for its necessity, and
7. Other particulars for information.

Article 4

An application for permission regarding offsetting of claims and debts under the provisions of Article 9 of the Control Regulations shall contain the following particulars:

1. Address, nationality, occupation and full name or trade name of the applicant;
2. Address, nationality, occupation and full name or trade name of the other party to the offsetting;
3. Kind and amount of the claim or debt to be offset;
4. Reason for the occurrence of the claim and debt to be offset;
5. Time of the offsetting;
6. Purpose of the offsetting and reason for its necessity, and
7. Other particulars for information.

Article 5

An application for permission for the placing or receiving in trust of property under the provisions of Article 10 of the Control Regulations shall contain the following particulars:

1. Address, nationality, occupation and full name or trade name of the applicant;
2. Address, nationality, occupation and full name or trade name of the other party to the placing or receiving in trust of the property;
3. Kind, location, quantity and value of the property to be placed or received in trust;
4. Method of placing or receiving in trust the property;
5. Time and period of the placing or receiving in trust of the property;
6. Purpose of placing or receiving in trust the property and reason for its necessity, and
7. Other particulars for information.

Article 6

An application for permission for the receiving back or returning of property placed or received in trust under the provisions of Article 10 of the Control Regulations shall contain the following particulars:

1. Address, nationality, occupation and full name or trade name of the applicant;
2. Address, nationality, occupation and full name or trade name of the other party to the receiving back or returning of the property placed or received in trust;
3. Kind, location, quantity and value of the property placed or received in trust which is to be received back or returned;
4. Time of placing or receiving in trust the property and method of receiving back or returning the same;
5. Purpose of receiving back or returning the property placed or received in trust and reason for its necessity, and
6. Other particulars for information.

Article 7

An application for permission regarding letting and leasing or subletting and subleasing of property, or acquisition or disposal of the right of lease shall contain the following particulars:

1. Address, nationality, occupation and full name or trade name of the applicant;
2. Address, nationality, occupation and full name or trade name of subletting and subleasing of property or the acquisition or disposal of the right of lease;
3. Kind, location, quantity and value of the property to be let and leased or sublet and subleased or of the property, the lease of which is to be acquired or disposed of;
4. Time and method of letting and leasing or subletting and subleasing the property or acquiring or disposing of the right of lease;
5. Purpose of letting and leasing or subletting and subleasing the property or acquiring or disposing of the right of lease and reason for its necessity, and
6. Other particulars for information.

Article 8

An application for permission regarding advancing or recovering of a loan and contracting or redeeming of a debt under the provisions of Article 12 of the Control Regulations shall contain the following particulars:

1. Address, nationality, occupation and full name or trade name of the applicant;
2. Address, nationality, occupation and full name or trade name of the other party to the advancing or recovering of a loan or to the contracting or receiving of a debt;

3. Amount and principal terms of the loan to be advanced and the debt to be contracted and time of advancing or recovering the loan and of contracting the debt;
4. Purpose of advancing or recovering the loan or contracting or redeeming the debt and reason for its necessity, and
5. Other particulars for information.

Article 9

An application for permission regarding placing or withdrawing of a deposit or receiving or paying back of a deposit under the provisions of Article 12 of the Control Regulations shall contain the following particulars:

1. Address, nationality, occupation and full name or trade name of the applicant;
2. Address, nationality, occupation and full name or trade name of the other party to the placing, withdrawing, receiving or paypaying back of the deposit;
3. Amount and principal terms of the deposit placed or received and time of placing, withdrawing, receiving or paying back the deposit;
4. Purpose of placing, withdrawing, receiving or paying back the deposit and reason for its necessity, and
5. Other particulars for information.

Article 10

An application for permission regarding acquisition or disposal of domestic currency and Japanese currency amounting to more than five hundred (500) Yuan in one month's time under the provisions of Article 13 of the Control Regulations shall contain the following particulars:

1. Address, nationality, occupation and full name or trade name of the applicant;
2. Address, nationality, occupation and full name or trade name of the other party to the acquisition or disposal;
3. Amount of domestic currency and Japanese currency to be acquired or disposed of and time of the acquisition and disposal;
4. Purpose of acquiring or disposing of domestic currency and Japanese currency amounting to more than five hundred (500) Yuan in one month's time and reason for its necessity, and
5. Other particulars for information.

Article 11

The provisions of Article 2 to Article 10 inclusive shall apply with the necessary modifications to an application for permission for the acts which a person other than a designated foreigner may perform on behalf of a designated foreigner or which a person other than a designated foreigner may perform with a designated foreigner as the other party under the provisions of Articles 16 and 17 of the Control Regulations.

Article 12

An application for permission regarding sale and purchase of foreign exchange under the provisions of Article 18 of the Control Regulations shall contain the following particulars:

1. Address, occupation and full name or trade name of the applicant;
2. Address, nationality, occupation and full name or trade name of a designated foreigner who is payer of a foreign exchange bill or a foreign exchange bill covering export goods destined for a designated country;
3. Name of an exchange bank selling foreign exchange;
4. Kind, principal terms and amount of the foreign exchange bill to be sold;
5. Purpose of selling the foreign exchange bill reason for its necessity, and
6. Other particulars for information.

Article 13

An application for permission regarding holding or supervising of property or cessation to hold or supervise property on behalf of a designated foreigner under the provisions of Article 19 of the Control Regulations shall contain the following particulars:

1. Address, occupation and full name or trade name of the applicant;
2. Address, nationality, occupation and full name or trade name of a designated foreigner who is owner of the property;
3. Kind, location, quantity and value of the property to be held or supervised or whose holding or supervision is to be discontinued;
4. Purpose of holding or supervising or ceasing to hold or supervise the property and reason for its necessity, and
5. Other particulars for information.

Article 14

The report stipulated in Article 22 of the Control Regulations shall be prepared according to Report Form No. 1.

Article 15

The report stipulated in Article 23 of the Control Regulations shall be prepared according to Report Form No. 2.

Article 16

The report stipulated in Article 24 of the Control Regulations shall be prepared according to Report Form No. 3.

APPENDIX I

WHO'S WHO IN MANCHOUKUO

A

Agawa, Yukihisa （阿川幸壽） Mayor; b. 1904 Yamaguchi-ken. Career: grad. Kyoto Imp. Univ. 1927; joined S.M.R. Co.; served at its Antung and Tashihchiao Offices; entered Manchoukuo Govt. service 1937; Mayor, Ssupingkai 1938; Councillor, Gen. Aff. Bd. Present post: Mayor, Antung City since Dec. 1940. Address: Antung Municipal Office, Antung City, Manchoukuo.

Ahnert, Edward von. Geologist; Mining Engr.; b. July 25, 1865, Modlin, (Novogeorgievsk); s. Edward von Ahnert, military engr.; n. German. Career: grad. Inst. of Katherina 11, St. Petersburg 1889; served Laboratory of Finance Dept. 1893-95; Chief Engr. Expedition of Amur Ry. 1896; Mem. Expedition of Imp. Russian Geological Society Manchuria & Korea 1895-98; Mem. of Geological Ctte. Russia 1894-1924; Chief Far Eastern Sec. of same 1913-24; Meb, 3rd Pan-Pacific Scientific Conf., Tokyo 1926, Intl. Geographical Conf. Paris 1931, 14th Geological Conf. Washington 1933; Consulting Geologist, S.M.R. Co. 1933; Hon. Correspondent Mem. Deutsche Akademie, Muenchen. Address: Boulvariy Prospectus, Harbin-N.T. Manchoukuo.

Aikawa, Yonetaro （相川米太郎） Lawyer; b. Apr. 1890, Nagasaki; s. Yoneichi Aikawa. Career: joined bar in Tokyo 1917; in Dairen 1918; elected Vice-Pres. Kwantung Province Bar Assn. 1921; was in Eur. and Amer. for study 1923-24; Pres. above-mentioned assn. 1928; Mem. Dairen Muni. Assembly 1928 and 1932. Address: 51 Harima-cho, Dairen.

Aikawa, Yoshisuke （鮎川義介） Industrialist; b. Nov. 1880, Yamaguchi-ken; e. s. Yahachi Aikawa; m. Miyo, e.d. Tojiro Iida. Career: grad. Mech. Engrg. Course Tokyo Imp. Univ. 1903; further studied metal casting in U.S.A. 1905-08; est. Tobata Foundry 1910, founder of Nissan Concern (present Mangyo Concern); Nissan Motor Car Co.; Chairman Hitachi Ltd., Hitachi Nippon Marine Products Co., Nippon Mining Co., Hitachi Elec. Power Co., Nissan Fire & Marine Ins. Co., Manchuria Mining Co.; Dir. Nissan Chem. Ind. Co., etc. Present post: Economic Adviser to Manchoukuo Govt. since March 1941; Pres. Manchuria Ind. Development Corp.; Pres. Nissan, Ltd. Address:: 6 Samban-cho, Kojimachi-ku, Tokyo.

Akahane, Ryukichi （赤羽柳吉） Businessman; b. July 1879, Nagano-ken; s. Kazue Akahane. Career: grad. Law Coll. Waseda Univ.; Repr.-Dir. Chuo Shoji Co.; Ming.-Dir. Taishin Shoji Co.; organized present firm and is working smokeless coal mines. Present post: Prop. Tenryu Koshi, Manchoukuo. Address: 81 Settsu-machi, Dairen.

A-lo-tan-e-chi-erh （阿勒坦鄂齊爾） b. Khangin Banner, Ikochao (Ordos) League. Career: Vice-Jassak Ikochao League 1924; Mem. Mongolia Local Autonomous Polit. Aff. Ctte. 1931; Councillor Mongolia Federation Autonomous Govt. 1937; Vice-Jassak Ikochao League, Mongolia Federal Autonomous Govt. 1939. Address: Changchiakou, N. China.

Amakasu Masahiko (甘粕正彥) Company official; b. 1891, Yonezawa, Yamagata-ken. Career: grad. Mil. Acad. 1912; Gendarmerie Capt.; Dir. Police Aff. Bur. Public Peace Dept., Manchoukuo 1932; Chief Gen. Aff. and Planning Burs., Manchoukuo Concordia Assn. 1936. Present post: Mng.-Dir. Manchoukuo Motion Picture Corp. 1939. Address: Manshu Eiga Kyokai, Hsinking, Manchoukuo.

An, Chi-yun (安集雲) Foreign Service; b. 1896, Fengtien Prov. Career: grad. Agr. Coll. Tokyo Imp. Univ.; Principal Fengtien Middle Sch. 1928; Chief 2nd Sect. Fengtien Finance Bd. 1931; Sect. Chief Fengtien Revenue Supt. Office upon foundation of Manchoukuo; Instr. Finance Officer Training Inst. of Finance and Commerce Dept. Present post: Cons.-Gen. Hamburg. Address: Manchoukuo Cons.-Gen., Hamburg, Germany.

Aoki, Minoru (青木 實) Official; b. Feb. 1901, Hokkaido: s. Sankei Aoki. Career: grad. Tokyo Imp. Univ. 1924; entered Finance Dept.; Bk. Inspector; resigned 1934; with Manchoukuo Govt. since 1935; Chief State Property and later Councillor Research Sect. Finance Dept. Manchoukuo; Dir. Revenue Bur. same. Dir. Finance Bur. Dept. of Econ. Present post: Chief, Planning Bur. since Oct. 1940. Address: Planning Board, Shomu-cho, Hsinking, Manchoukuo.

Aoki, Sachihiko (青木佐治彥) Official; b. Sept. 25, 1895. Career: Grad. Law Coll. Tokyo Imp. Univ. 1920; Judge Kobe Local Court 1926; Consulate Staff 5 yrs.; went to Eur. & Amer. for study 1931; Judge Court of Appeal 1932; Secr. Justice Dept. of Japan 1934; Dir. Civil Affairs Bur. Manchoukuo Justice Dept. 1934-38. Present post: Dir. Legislative Bur. Gen. Affairs Bd., Manchoukuo since 1938. Address: 801 Kikoro, Hsinking.

Arai, Shizuo (荒井靜雄) Official; b. 1894, Takata City; s. Kentaro Arai, privy councillor. Career: grad. Law Coll. Tokyo Imp. Univ. 1919; served S.M.R. Co. 1919-32, with Manchoukuo Govt. since 1922; Dir. Decoration Bur. 1934-35; Chief Sect. Privy Council; Dir. Supervisory Bur. Supervisory Council. Present post: Pres. Bd. of Audit, Adv. Imp. Household Dept. Manchoukuo. Address: Nishiki-cho 1-chome, Hsinking.

Ariga, Kurakichi (有賀庫吉) Company Official; b. Nov. 26, 1896, Nagano-ken; s. Heiemon Ariga. Career: grad. Econ. Coll. Tokyo Imp. Univ. 1922; joined S.M.R. Co.; served various local offices and Local Affairs Dept. Head Office; sent to Eur. and Amer. for inspection 1928-30; Chief Liaoyang Local Office; Chief Gen. Aff. Sect. Local Affairs Dept.; Chief Educ. Affairs Dept. same; Chief Peking Business Office; Chief Gen. Affairs Sect. President's Chamber of Head Office 1937-39. Present post: Bureau Dir. Gen. Direction of S.M.R. Co. since 1939. Address: 66 Garyu-dai, Dairen.

B

Banzhaf, Adolph. Businessman; Mgr. of Doitsu Seiko K.K. Hsinking; agent for Vereinigte Stahlwerke A.G., Duesseldorf Roehren-Verband G.m.b.H., Duesseldorf Grossrohr-Verband G.m.b.H., Duesseldorf Deutsche Edelstahlwerke A.G., Krefeld Wagner & Co. Dortmund, Berliner Machinenbau A.G., Berlin (formerly L. Schwartzkopff Berlin) Hannoversche Maschinenbau A.G. Hannover, Maschinenfabrik Sack G.m.b.H. Duesseldorf, Vereinigte Kesselwerke A.G. Duesseldorf, Alpine Montan-Gesselschaft Wien. Address: 310 Higashi Choyoro, Hsinking.

Bekku, Hideo (別宮秀夫) Mayor; b. Nov. 1887, Ehime-ken; s. Ranzo Bekku. Career: grad. Law Coll. Tokyo Imp. Univ. 1913; Police Chief Yamagata, Fukushima, Wakayama prefs.; Dir. Internal Affairs Dept. Miye and Kumamoto prefs.;

entered Manchoukuo Govt. service; Vice-Gov. Antung and Fengtien prov. Present post: Mayor of Dairen since 1939. Address: Mayor's residence, Dairen.

Bischoff, Ernest. Diplomat; D. Phil.; b. July 1880, München; s. Theodor Bischoff, co. dir.; m. Hertha Bischoff, nee Zelle; served at German Emb. Tokyo 1925-26; Cons. at Kobe 1926-34. Present post: German Cons.-Gen. at Dairen since 1935. Address: c/o German Consulate, Dairen.

Blunt, H. C. Banker; b. Sept. 1908 Cairo, Egypt; s. of E. G. Blunt. Address: Hongkong & Shanghai Bank, Harbin.

Bryner, Alex. M. Businessman; b. Nov. 13, 1910, Vladivostok. Career: with the present firm since 1933. Present post: Asst. Mgr. Bryner & Co. Harbin. Address: c/o Bryner & Co. 1 Konnaya St. Harbin.

C

Cha Ke-erh (札噶爾) Official; b. 1876, Palinchu Banner, Mongolia. Career: Governor Hsingan West Prov.; Dir.-Gen., Hsingan Bureau of State Council July, 1937-Mar. 1941. Present post: Privy Councillor since March 1941. Address: Kunai-fu, Hsinking, Manchoukuo.

Chang Ching-hui (張景惠) Prime Minister; General; b. 1871, Taian-hsien, Fengtien Prov. Career: grad. Mil. Acad. Fengtien; apptd. Major-Gen. 1916; Mil. Gov. of Chahar Dist. and Comdr. 16th Div. 1920-22; Dir-Gen. Nat. Highways Preparation Bur. 1924; War Min. in Ku Wei-chun Cabinet 1927; Min. of Ind. in Fan-Fu Cabinet; Gov. Gen. Tung Sheng Special Dist.; Pres. Supreme War Council Nat. Govt.; joined Japanese Army for preservation of peace at Harbin at time of Manchurian Incident; Gov. Heilungkiang Prov. 1932; apptd. Pres. Privy Council and War Min.; concurrently Min. Dept. of Foreign Affairs; Dept. of Mongolia Administration, 1937. Present post: Manchoukuo Prime Min. since 1935; Pres. Kienkuo Univ. Address: Premier's Residence, Hsinking.

Chang Hai-peng (張海鵬) General; b. 1867 in Kaipin-hsien, Fengtien Prov. Career: apptd. Comdr. 55th Brig. of 28th Div.; Comdr. 4th North-East Cav. Div. and Tutelary Envoy in Taoliao 1927; Chief Aide-de-Camp to Manchoukuo Emperor. Present post: Privy Councillor of Manchoukuo. Address: Manju Taigai, Hsinking.

Chang Han-yin (張漢仁) Mayor; b. Chinchow 1903. Career: Grad. Kobe Higher Com. Sch. 1926; Tokyo Higher Com. Sch. 1929; Prof. Fengyung Univ. Mukden 1931; Mayor Teihling Oct. 1939-June, 1941. Address: Municipal Office, Teihling City, Manchoukuo.

Chang Hsu-seng (張樹聲) Mayor; b. 1893 Chinchow Prov. Career: grad. Akita Mining Coll. 1922; joined Army Arsenal Tungsan Prov.; Chief 1st Section of Elec. Bur. Mukden Muni. Office 1931; Engr. Mining Inspection Office 1934; Chief Admini. Sect. People's Welfare Office Chinchow Prov.; Mayor of Chiamussu 1937. Present post: Mayor Kaiping City since March, 1941. Address: Kaiping Municipal Office, Kaiping City, Manchoukuo.

Chang, Huan-hsing (張煥相) State Minister; Gen.; b. 1880 Fengtien Prov. Career: grad. Mil. Acad. of Japan 1911; served Mil. Acad. of Japan 1911; served Mil. Prep. Office of Mukden Army; Admini. Chief of Eastern Prov. 1927. Present post: Justice Minister since 1937. Address: c/o Justice Dept. Hsinking.

Chang I-san (張益三) Lt.-Gen.; b. July 1893, Changchun-hsien, Kirin Prov.; s. of Gen. Chang Chen-kiang. Career: grad. Paoting Mil. Acad.; Staff, Heilungkiang Mil. Office and Instructor, Mil. Acad. 1921; Aide-de-Camp, Cav. 14th Brig. 1924; Chief Staff, Cav. 17th Div. 1926; Comdr. 2nd Brig. Heilungkiang 1929; Bandit Suppression Comdr

Fengtien Prov. 1930; Dir. Mil. Supply Bureau, 1932-35; Chief Staff & Chief Mil. Communications Dept. Defence Dept. Present post: Comdr. 6th Army. Address: Mutankiang, Manchoukuo

Chang Lien-wen (張聯文) Official; b. 1895, Chinchow, Kwantung Prov. Career: grad. Police Training Inst. Liaoyang; Staff Finance Dept. Fengtien Prov., Chief 1st Sect. Fengtien Prov. Stamp Revenue Office: Dir. Mukden Revenue Supt. Bur.; Magistrate Hailung-hsien Fengtien Prov.; Chief Chuanghi Salt Fields; Councillor Fengtien Prov.; Chief Personnel Sect. same 1932-35; Dir. Rites & Religion Bur. 1935-37; Dir. Social Affairs Bur. Manchoukuo People's Welfare Dept. 1938; Dir. Decoration Board of Manchoukuo Nov. 1939. Present post: Governor, Jehol Prov. since Jan. 1941. Address: Provincial Office, Jehol, Manchoukuo.

Chang Ming-tsun (張明峻) Official; b. 1892, Shengyang-hsien, Fengtien Prov. Career: grad. Fengtien Eng. Med. Coll.; surgeon Heilungkiang, Kirin and Fengtien Provs.; Pres. Kirin Prov. Hosp.; Dir. Public Health Bur. Dept. of People's Welfare, Manchoukuo. Present post: Councillor, Gen. Aff. Board since Aug. 1941. Address: c/o Gen. Aff. Board, Hsinking.

Chang, Shu-han (張書翰) Official; b. 1891, Itung-hsien, Kirin Prov. Career: grad. Pei-Yang Univ. Tientsin; Magistrate Changchun-hsien; Chief Yenki Muni. Adm. Planning Office; Supt. Yenki Marine Customs; Adv. Gov.'s Office, Kirin Prov.; Chief Educ. Dept. of Kirin 1934-36; Dir. Civil Affairs Bur., Kirin Prov.; Dir. Supervisory Bur. Home Office; Dir. Gen. Postal Administration Bur. Manchoukuo 1938-39; Gov. Tunghua Prov. 1939-1941. Address: Gen. Aff. Bd. Hsinking, Manchoukuo.

Chang Wen-chu (張文鑄) Lt.-Gen.; b. 1898, Heilungkiang Prov. Career: grad. Paoting Mil. Acad.; Inst. Heilungkiang Mil. Training Inst.; Chief Staff Heilungkiang; Comdr. 3rd Dist. Garrison (Tsitsihar) Manchoukuo 1932-39. Present post: Comdr. 7th Dist. Army of Manchoukuo since 1939. Address: 7th Dist. Army Hdqrs. Chiamussu.

Chang Ying-tang (張蔭棠) Diplomat; b. 1901 Yushou-hsien Kirin Prov. Career: grad. Litt. Course Peking Univ. 1926; Prof. Kirin Prov. Law Coll.; Prof. Harbin Law & Polit. Coll. 1929; Chief Secr. Harbin Muni. Office 1930; Chief Home Sec. Tungpien Spec. Dist. Gov.'s Office 1932; Chief Admin. Sec. Pingkiang Prov.; Chief Social Aff. Sec. same; entered Fgn. Aff. Bur. 1939; Chief 2nd Sec. Research Sec.; Commr. Legation Rome 1940. Present Post: Councillor Embassy Nanking since 1941. Address: Manchoukuo Embassy, Nanking.

Chao Chen (趙震) Official; b. 1885, Payenhsien, Heilungkiang Prov. Career: grad. Higher Police Training Inst. Heilungkiang Prov. 1905; Magistrate, Wangching-hsien 1915; Chief Police Dept. Peking-Mukden Ry. Bur. 1927; Acting Dir. Kirin-Changchun, Kirin-Tunhua, Ssupingkai-Taonan Ry. Bur.; Dir. Fishing and Merchant Vessels Protection Bur. Fengtien Prov.; Dir. Weights and Measures Bur. 1935-37. Present post: Vice-Dir. For. Bur. Ind. Dept. Manchoukuo. Address: Forestry Bureau, Ind. Dept., Hsinking.

Chase, Augustus Sabin. Foreign service; B.A. Yale, 1920; b. March 16, 1897 Waterbury, Conn. U.S.A.; s. of F. S. Chase, Manufacturer; m. Helga Erdberg. Career: served in the Amer. Foreign Service at the following posts; Peking 1926-28; Berlin 1928-30; Tsingtao 1930-32; Mukden 1932-35; Canton 1935-38; Washington 1938-40; Dairen 1940 to date. Present post: Amer. Consul at Dairen. Address: Amer. Consulate, Dairen.

Chen Fu-mu (陳孚木) Official; b. 1892 Kwangtung Prov. Career: grad. Yunnan Mil. Coll.; Mem. Spec. Ctte for Prov. Peace Preservation after arrest of Communist Kwantung 1927; Mem. Kwangtung Polit. Branch Ctte.; Mem. Ctte Control Yuan; Chief Agr. and Ind. Office Kwangtung Prov.; Mem. 4th term Candidate Central Executive Ctte. 1931; Polit. Vice-Min. of Communications; Mem. Central Executive Ctte. Nat. Gov.; engaging in Anti-Communism Sino-Japan Cooperation Movement by publishing "Hsingkien" (magazine). Address: Shanghai.

Cheng Yu (鄭禹) Mayor; b. 1889, Foochow, China; s. Cheng Hsiao-Hsu, Ex-Prime Min. Career: studied at Seijo Sch. Tokyo 1905; grad. Liverpool Univ. 1911; Mgr. Kinghua Publishing Co. Peking 1919; Mgr. Tungchi Printing Office, Mukden 1922; Mgr. South Br., Chihsin Cement Co. Shanghai 1927; Mng.-Dir. Huafeng Enamel Co. Shanghai 1930; Secr. to Prime Min. 1932; Dir. Capital Construction Bur. 1935-37; Dir. Postal Admin. Bur. 1937-38. Present post: Mayor of Mukden since 1938. Address: Mayor's Residence, Mukden.

Chi Ching-li (祁靖黎) Mayor of Tsitsihar; b. 1889 Shengang-shen, Fengtien Prov. Career: grad. Yuan-hsietung at Mukden 1910; taught at Chou-Pien Sch. 1913; at Mukden Com. Sch.; at Hosei Coll. at Mukden; Prof. Tohoku Univ.; Chief Documents Sect. Tung-san Prov. Army Arsenal; Secretary Fengtien Prov. Office; present post since May 1940. Address: c/o Tsitsihar Muni. Office, Manchoukuo.

Chi Chih-cheng (齊知政) b. 1895 Kaiyuan-hsien, Fengtien Prov. Career: studied Paoting Mil. Coll.; grad. Mil. Academy Tokyo 1919; Apptd. Lieut. 1919; Major-Gen. and Chief Staff Chihli and Shantung Federal Army Hdqs. 1926; Comdr. Kirin Garrison 1931; retired 1932; Dir. Monopoly Bur. Liaoyang 1934; Dir. Lungkiang Monopoly Bur. same yr.; Councillor Chientao Prov.; Metropolitan Police Chief since 1941. Address: Hsinking.

Chi Hsing (吉興) General; b. 1879, Shenyang-hsien, Fengtien Prov. Career: grad. Mil. Acad., ginnery, Japan; chief Yalu and Hun River Police Bur., 1916; chief staff Fengtien Army Hdqrs. 1918; same 27th Div., 1918; chief Chiangsheng Artillery Corps, 1920; chief staff Kirin Army, 1921; comdr. and mil. govr. 13th Brig. 1924; comdr. Yenki Guards, 1931; Kirin Prov. Guards, 1932; Comdr. Manchoukuo 2nd Army District. Present post: Chief, Aide-de-Camp to Emperor. Address: Kunaifu, Hsinking.

Chi Pin (啓彬) Banker; b. 1887, Shengyang-hsien, Fengtien Prov. Career: grad. Waseda Univ. Tokyo; Magistrate Changchun-hsien, Kirin Prov.; Adv. to Gov. of Kirin Prov.; Chief Yenki Muni. System Administration Planning Office, Kirin; Dir. Revenue Supt. Bur. Mukden 1932-36; Mng.-Dir. Manchuria Elec. Co. Present post: Aud. Ind. Bk. of Manchou since 1936. Address: 202 Daido-Daigai, Hsinking.

Chia Wen-ling (賈文凌) Company Official; b. 1881, Han-hsien, Sankiang Prov. Career: studied at Ilan Independent Research Institute; head Ilan Institute for Encouragement of Education, 1913; chief 3rd sec. Ilan County Office, 1935; councillor Kirin Army Superintendence Office, 1925; chief Pinhsien and Shuang-hsien after the Manchurian Incident; dir. Educational Bur. of Pinkiang Prov. Present post: vice-director, Manchuria Cereals Co. Address: Manshu Ryokoku K.K., 407 Kojin Tairo, Hsinking.

Chiang Chuan-wo (姜全我) b. 1883 Chinchow, Kwantung Prov. Career: Chief Staff 4th Brig. Fengtien Army; Police Chief Antung; Reg. Comdr. Fengtien Prov. Army at Fenghuangcheng; Dir. Public Peace Bur. Antung Bund after Manchurian Incident; Chief Police Office Shengyang 1937; Metropolitan Police Chief; Gov. Tunghua Prov. since 1941. Address: Tunghua, Manchoukuo.

Chiang En-chih (恙恩之) Official; b. 1899, Yushouhsien, Kirin Prov. Career: grad. Polit. & Econ. Dept. Chaoyang Univ. Peking; Magistrate, Meng-kiang, Huatien and Yushouhsien Kirin Prov.; Dir. Gen. Monopoly Bur. Present post: Gov. Chinchow Prov. Manchoukuo since 1938. Address: Gov.'s Residence, Chinchow, Manchoukuo.

Chi-mo-te-se-mu-pei-lo (齊默特色木丞勒) Official; b. Feb. 1891, Kuoerhlssu-Chien Banner. Career: Prince Hoshih, Chelimu League 1902; Mem. House of Commons 1922; Mem. Constitution Draft Ctte.; Gov. Hsingan Adminsitration Office 1932-34; Min. of Mongolia Administration 1934-37; Privy Councillor, 1937-41. Present post: Vice-Pres. Manchuria Telephone & Telegraph Co. since April, 1941. Address: 301 Chokei Taigai, Higashi Junjiro, Hsinking, Manchoukuo.

Chin Ming-sih (金名世) Major; b. 1896, Fengtien Prov. Career: grad. Peking Law Coll.; Secr. Kirin Prov. Office; Dir. Harbin Elec. Bur.; Chief Police Dept. Kirin Prov. 1933-34; Gov. Sankiang Prov.; Gov. Jehol Prov. 1937-40. Present post: Mayor of Hsinking since May 1940. Address: Municipal Office, Hsinking.

Chin Yung-chang (金永昌) Official; b. 1885 Khalachin Banner, Inner Mongolia. Career: grad. Agr. Course Tokyo Imp. Univ.; Senator from Mongolia to Peking Prov. Senate 1911; Prof. Mongolia-Tibet Coll.; Mem. Inner Mongolia Central Executive Ctte. Nat. Party 1925; Non-Comm. Staff Kwantung Army and Chief Manchoukuo Office Mongolia; Chief Home Office Mongolia Mil. Gov.; Mongolia Rep. to Manchoukuo; Dir. of Ind. Mongolia Federal Ctte. 1938; Min. of Communications Mongolia Federal Autonomous Gov. 1939; Min. of Econ. since 1941. Address: Changchiakou.

Chin Yung-kuei (金榮桂) Official; b. 1876, Kaipinghsien, Fengtien Prov. Career: grad. Peking Coll. 1909; Gen. Dir. Tsinan Muni. Office; Chief Gen. Administration Office, Tung Sheng Special Dist.: Dir. Chinese Eastern Ry. (North Manchuria Ry.) 1932; Police Chief Harbin 1933-35; Metropolitan Police Chief 1936-37; Mayor of Mukden 1937-38. Present post: Gov. Fengtien Prov. since 1938. Address: Gov.'s Residence, Mukden.

Chou Ping-heng (周秉衡) Intendant Lieut.-Gen.; b. 1895 I-hsien, Chinchow Prov. Career: grad. 1st Higher Middle Sch.; Chief Intendant Office Fengtien Prov. Garrison Hdqs.; Chief Intendant Office 1st Mil. Dist.; Chief Intendant Training Dept. Central Mil. Training Institute 1935; elevated to Lieut.-Gen. 1941. Address: Hsinking.

Chu Jung (朱榕) Lt.-Gen.; b. 1891, Chinchow Prov. Career: Adjutant Heilungkiang Army Office 1920; Comdr. Yenki Guards 1932; Comdr. Mixed 19th Reg. 1934; same Prukiang Dist. Guards 1936; attached to Pub. Peace Dept. 1939. Present post: Comdr. 3rd Army since Oct. 1939. Address: c/o 3rd Army Hdqrs. Tsitsihar, Manchoukuo.

Chu Peng-shan (曲秉善) Official; b. 1904, Fengtien Prov. Career: grad. Jap. Lang. Dept. Mukden Foreign Lang. Sch. 1920; grad. Manchuria Med. Coll. 1930; taught at several colleges; Councillor People's Welfare Dept.; Chief Practice Dept. Manchoukuo Kyowakai since Aug. 1938. Present post: Chief Welfare Bur. People's Welfare Dept. since June, 1941. Address: Minseibu, Hsinking.

Cortese, Luigi. Italian Minister to Manchoukuo. Address: Italian Leg. Hsinking.

Coulson, H. N. Businessman; b. Nov. 29, 1906, in London; s. of C. Coulson, accountant. Present post: Manager Produce Export Co., Ltd. Harbin. Address: c/o Produce Export Co. (Harbin) Ltd. Harbin.

D

Dohi, Tadashi (土肥 顯) Official; b. May 1896; s. Takichi Dohi. Career: grad. Law Coll. Tokyo Imp. Univ. 1920; joined S.M.R. Co. 1920; Chief Kaiyuan Local Office 1926; Hsinking Local Office 1927; Chief Gen. Affairs Sect. Gen. Affairs Dept. Head Office 1931; Chief Personnel Sect. same 1932; sent to Eur. and Amer. for investigation 1934; Chief Shanghai Business Office 1935; Deputy Mayor of Mukden 1937-39; Vice-Gov. Chinchow Prov. 1939; Vice-Gov. Fengtien Prov. 1939. Present post: Vice-Minister Dept. of People's Welfare Manchoukuo since May 1940. Address: c/o Dept. of People's Welfare, Hsinking.

E

Edmondson, Gerald James Ellis. Foreign Service; b. 1898, England; s. James Curtice Ellis, architect. Career: educ. at Westminister Cathedral Sch. and City of London Coll.; served in Great War 1914-18; entered civil service 1920; British Far Eastern Consular Service (Japan) 1925; Pres. of Dairen Cosmopolitan Club 1937. Present post: British Pro-Consul, Dairen, since 1927. Address: c/o British Consulate, Dairen.

Eh-lu-chin-pa-tur (額爾欽巴圖) Official; b. 188), Hsinpaerhu Left Wing Banner, Mongolia. Career: after occupying several important posts in Mongolia, appointed Govr. of Hsingang North Province, in June, 1936. Address: Prov. Office, Hailar, Hsingan North Province, Manchoukuo.

Elm, Paul From. Hon. Danish Consul for Kwantung Leased Territory; Manager of The East Asiatic Co., Ltd. of Copenhagen for Kwantung Leased Territory since 1928. Career: in service of present firm in Manchuria since 1919; Danish Consul since 1939. Address: Royal Danish Consulate, Dairen.

F

Farmer, Percival. Hon. Vice-Consul for Norway and Acting Consul for Netherlands at Yingkow since 1922; b. 1884, Yingkow; s. Charley Farmer, H.B.M. Consular Service. Career: 3 years in Belgium and France during Great War. Address: The Bund, Yingkow, Manchoukuo.

Feng Han-ching (馮涵清) Businessman; b. 1892, Kaiping, Fengtien Prov. Career: studied Law and Econ.; Court Judge; Dir. Peking-Fengtien Ry. Bur.; Chief Ind. Dept. Fengtien Prov.; Justice Min. 1932-37; accorded privilege of former post. Present post: Vice-Pres. Manchuria Ind. Development Corp. since 1937. Address: Hsinking.

Feng Kuang-min (馮廣民) Official; b. 1882, Shenyang-hsien, Fengtien Prov. Career: grad. Peking Higher Normal Sch. 1914; Chairman Fengtien Educ. Assn. 1922; Principal Fengtien Prov. 3rd Middle Sch.; Gov. Panshan-hsien; Chief Secr. Tungpeh Univ. 1928; Councillor Fengtien Prov. Office; Gov. Hsifeng-hsien; Gov. Chin-hsien upon foundation of Manchoukuo 1933; Dir. Civil Affairs Dept. of Chinchow Prov. Office 1934; Dir. Social Affairs Bur. People's Welfare Dept. 1937, Mayor of Harbin 1938-39; Gov. Peian Prov. Manchoukuo 1939. Present post: Councillor Gen. Affairs Board, Manchoukuo since Nov. 1939. Address: c/o Gen. Affairs Bd., Hsinking.

Fuchs, Carl. Baron; Businessman; b. Sept. 14, 1881, Vienna; s. Baron Victor Fuchs, Lawyer and M.P. Career: grad Technical Univ. in Vienna; Repr. of Skodaworks in Czechoslovakia for China and Japan. Present post: Gen.-Mgr. for Manchoukuo and Chosen of Andrews and George Co., Inc. Address: Mitsui Bldg: 2 Kamo-cho, Mukden.

Fuetterer, E. O. Businessman; b. Nov. 1893 at Kirrlach, Germany; s. O. Fuetterer; m. Grete Wiechers.

Career: educ. in Germany 1900-11; joined Shanghai German firm 1911-13; military service at Tsingtao 1913-14; Controller of Hongkong & Shanghai Bk. at Mukden and Harbin. Present post: Mng.-Dir. I. I. Tschurin & Co., Ltd. Harbin. Address: c/o I. I. Tschurin & Co., Ltd., New Town, Harbin.

Fujii Chushichiro (藤井暢七郎) Company Official; b. 1885 Fukushima-ken. Career: grad. Engrg. Course Tokyo Imp. Univ. 1909; served Mitsui Mining Co. and Ishikari Colliery Co.; entered Hokkaido Colliery & Steamship Co. 1919; Chief Yubari Colliery; Mng.-Dir. & Chief Hokkaido Branch 1932; made inspection tour abroad 1928. Present post: Pres. Mishan Colliery Co. since 1941. Address: Tungan, Manchoukuo.

Fujii Kanichi (藤井貫一) Major-General. Career: grad. Mil. Acad. 1907; Mil. Coll. 1920; Instructor Chiba Infantry Sch.; Staff 9th Division; Comdr. 36th Inf. Reg; Comdr. Kobe Reg. Dist.; elevated to Major Gen. 1936; Comdr. Tsushima Fortress same yr.; reserve service 1938. Present post: Inspector-Gen. Ry. Guards Corps. since Sept. 1941. Address: c/o Chian-bu, Hsinking.

Fujiyama, Kazuo (藤山一雄) Official; b. 1889, Yamaguchi-ken; s. of Asajiro Fujiyama. Career: grad. Econ. Coll. Tokyo Imp. Univ. 1916; Mgr., Fukusho Kako Co., Dairen, 1930-31; went to Europe and America to investigate conditions of Labour and Trade Unions; Dir. Gen. Affairs Bureau, Manchoukuo Ind. Dept. 1932; Dir., Gen. Affairs Bureau, Supervisory Council 1932-35; Dir. Decorations Bureau. Present post: Vice-Dir. National Central Museum. Address: c/o the Nat. Central Museum, Hsinking.

Fukumoto, Junzaburo (福本順三郎) Official; b. July 1882, Hyogo-ken; s. Dr. Kosaku Fukumoto. Career: grad. Tokyo Higher Com. Sch. 1905; joined Chinese Customs Service. Present post: Dir. Dairen Customs, Manchoukuo since 1932. Address: 3 Iki-machi, Dairen.

Furumi, Tadayuki (古海忠之) Official; b. 1900, Tokyo. Career: grad. Law Coll. Tokyo Imp. Univ. 1924; entered Finance Dept.; Commr. Building and Repairs Adm. Bureau; Commr. Manchoukuo State Council 1932; Chief, Gen. Affairs Sec.; Sec. Chief, Personnel Bureau 1934-36; Dir. Accounts Bur. Gen. Affairs Board Manchoukuo 1935-40. Present post: Vice-Minister of Com. & Finance Dept. since May 1940. Address: c/o Econ. Dept. Hsinking.

G

Galinsky, Wolfgang. Diplomat: Career: Vice-Consul, Harbin; attached to German Legation since April, 1941. Address: German Legation, Hsinking, Manchoukuo.

Genda, Matsuzo (源田松三) Official; b. Oct. 1899, Hiroshima-ken; s. Harushichi Genda. Career: grad. Law Coll. Tokyo Imp. Univ. 1923; entered Finance Dept.; Supt. Sapporo Revenue Office; Chief Fin. Sect. Kwantung Govt. 1927-32; entered Manchoukuo Govt. service; Dir. Revenue Bur. Finance Dept.; Dir. Personnel Bur. Gen. Affairs Bd. Present post: Vice-Gov. Pinkiang Prov. Manchoukuo since 1939. Address: Pinkiang Prov. Office, Harbin.

Gourley, Louis H. Consul: b. Oct. 17, 1889 Springfield Ill., U.S.A. s. Albert F. Gourley. Career: Univ. of Illinois, A.B.; George Washington Univ. A.M.; also Columbia Univ. & New York Univ. special courses: Con. Officer at Vera Cruz, Warsaw, Lourenco Marques, Port Elizabeth, Sao Paulo, Medan, Hongkong, Shanghai, Tsingtao, Kobe, Dairen. Present post: Consul, c/o American Consulate General, Harbin, Manchoukuo.

H

Han Yun-chieh (韓雲階) Ex-State Minister; b. 1893; in Chinihow, Kwantung Province. Career: grad.

Nagoya Higher Tech. Sch. 1917; Pres. Toa Ind. Co.; Pres. Asia Flour Mills; Dir. Harbin Exchange; Dir. Harbin Trust Co.; Councillor Heilunkiang Prov. Office 1931; Dir. Ind. & Finance Bureau same 1932; Mayor of Hsinking 1935-37; Minister of Finance & Commerce, Manchoukuo, 1938-40. Present post: Pres. Manchuria Elec. Ind. Co. Address: c/o Manshu Dengyo K.K. Hsinking.

Hanawa, Yoshiyuki (花輪義敬) Foreign Service; b. Aug. 1892, Yamanashi-ken. Career: grad. Polit. Course Tokyo Imp. Univ. 1918; passed Higher Civil Service Exam. 1921; Elever-Cons. Canton and later Ottawa 1922, Seattle 1927; Cons. 1929; 3rd Secr. Emb. Manchoukuo 1932; 2nd Em. Secr. 1933; 1st Secr. Emb. Peking 1936; Secr. Foreign Office; Cons.-Gen. at Nanking 1938; Cons.-Gen. at Hankow; Nanking . Present post: Councillor Emb. to Manchoukuo since Oct. 1940. Address: c/o Jap. Emb. Hsinking.

Harada Tomikazu (原田富一) Official: b. Saitama-ken. Career: grad. French Law Course, Tokyo Imp. Univ. 1927; served Finance Office; Sec. Chief Tokyo Monopoly Bur.; Commr. Finance Dept.; Chief Import 1st & 3rd Secs. Exchange Bur. 1938. Present post: Vice-Dir. Gen. Monopoly Bur. Manchoukuo since July 1941. Address: Gen. Monopoly Bur. Hsinking.

Hasegawa, Hiroshi (長谷川浩) Dr. Agr.; Company Official; b. Oct. 1888, Shizuoka-ken, e.s. of Yukichi Hasegawa. Career: grad. Tohoku Imp. Univ. agr. chem., 1915; joined Monopoly Bur.; expert of same 1920; chief Inspection sect. Utsunomiya Monopoly Bur.; sent to America for inspection, 1931; to Turkey, 1933; granted degree (theme, tobacco), 1933; expert Taiwan Govt. Monopoly Bur.; chief Hatano Laboratory of Monopoly Bur. Present post: President Manchuria Leaf Tobacco Co. Address: Manshu Hatabanko K.K. Koakaikan, Mukden.

Hasegawa Ken (長谷川謙) Official: b. 1883 Kanazawa City. Career: grad. Physics Course, Tokyo Imp. Univ., 1911; entered Central Metrological Observatory (Tokyo); Professor Peers' School. Present post: Chief, Central Metrological Observatory (Hsinking) since April 1940. Address: Central Metrological Observatory, Hsinking, Manchoukuo.

Hashimoto, Toranosuke (橋本虎之助) Official; Lt.-Gen.; b. June 6, 1863, Kanazawa; s. Masayo Hashimoto. Career: grad. Military Acad.; Military Staff Coll.; Attache Emb. U.S.S.R.; Comdr Cav. 25th Reg.; Chief Staff Tokyo Defence Army Hdqrs.; Chief 2nd Sect. Gen. Staff Office; Chief Gen. Affairs Sect. Gen. Staff Office; Army Vice-Min. 1934; Dir. Central Hdqrs. of Manshukoku Kyowa-kai (Concordia Assn.). Present post: Vice-Pres. Privy Council Manchoukuo; Pres. Board of Rituals since July 1940. Address: 411 Kenkoku-Kodo, Hsinking.

Hata, Yuzaburo (畑勇三郎) Official; b. 1890 Tokyo. Career: grad. Mil. Acad.; Mil. Staff Coll. 1921; Instructor of same; Comdr. Independent Garrison in Manchuria; Major-Gen. 1938; fought in China Incident at Central China front. Present post: Vice-Gov. Sankiang Prov. since Apr. 1940. Address: c/o Sankiang Prov. Office, Chiamussu, Manchoukuo.

Hirashima, Toshio (平島敏夫) Businessman; b. November 4, 1891, Miyazaki-ken; s. Shigetsuna Hirashima. Career: grad. English Law Course Tokyo Imp. Univ. 1918; entered Home Office; Chief Local Sect. and Secr. of S.M.R. Co. 1922; Secr. Taiwan Govt. 1928; Private Secr. to Justice Min. 1932-33; elected M.P. (Seiyu-kai) from Miyazaki-ken 1933; Vice-Gov. Chinchow Prov. of Manchoukuo. Present post: Dir. S.M.R. Co.; Mgr. Hsinking Br. same. Address: S.M.R. Co., Hsinking.

Hirayama Kazuo (平山一男) Official; b. Tokyo. Career: grad. Mil. Intendance Sch. 1915; elevated to Intendant Major 1934; reserve service 1935; entered Manchoukuo Civil Service; Commr. Gen. Aff. Board, 1936; Dir. Tsitsihar For. Bur. 1939. Present post: Mayor of Mutankiang since 1941. Address: Municipal Office, Mutankiang City, Manchoukuo.

Hirayama, Matajiro (平山復二郎) Businessman; b. Nov. 1888, Tokyo-fu; s. Eizo Hirayama. Career: grad. Civil Enrg. Course Tokyo Imp. Univ. 1912; entered Ry. Dept.; Dir. Sendai Regional Office 1936; Dir. Construction Bur. Ry. Dept. 1937. Present post: Dir. S.M.R. Co. since 1938. Address: S.M.R. Co., Dairen.

Hirose, Jusuke (廣瀬壽助) Businessman; Lt.-Gen.; b. June, 1875, Hiroshima-ken; s. Ryosaku Hirose. Career: grad. Mil. Acad. 1900; served Military Arms Depot; Comr. 1st Inf. Brig.; Chief 3rd Dept. Gen. Staff Office: Chief Mil. Transportation Dept.; commanded Bandit Suppression Army in Manchuria 1932; Comrd. 10th Div.; retired active service 1934. Present post: Pres. Manchuria Teleg. & Tel. Co. Address: Manchuria Telegraph & Telephone Co., Hsinking.

Honma, Tokuo (本間德雄) Official; b. 1889, Niigata-ken. Career: grad. Tokyo Imp. Univ., civil engrg. 1912; chief Public Works Office Kaijo, Chosen, 1925-33; chief 2nd Tech. Div. of National Highway Bureau of Manchoukuo 1933; vice-chief, Hydro-electric Power Construction Bur. 1938. Present post: chief, Hydro-electric Power Construction Bur. since 1939. Address: Hydro-electric Power Construction Bur., Dept. of Economics, Hsinking.

Horiuchi, Kazuo (堀内一雄) Major-General; b. Sept. 1892, Yamanashi-ken, e.s. of Ryohei Horiuchi. Career: grad. Mil. Staff Coll., 1925; staff General Staff Office, Kwantung Army, 9th Div.; retired 1932: Major-Gen. of Manchoukuo, 1932; chief staff 1st Dist. Army, 1934; dir. Information Bureau of General Affairs Board, July, 1937. Present post: vice-govr. Antung Prov. since Sept. 1937. Address: Provincial Office, Antung.

Hoshino Kinnosuke (星野金之助) b. 1900 Tokyo. Career: grad. Tokyo Higher Co. Sch. 1923; served China Maritime Customs at Tsingtao, Shanghai, Ningpo, Dairen & Antung; entered Manchoukuo civil service 1932; Chief Ryojun Branch Customs: Vice-Chief Harbin Customs 1934. Present post: Consul Gen. at Osaka since 1941. Address: Manchoukuo Consul General, Osaka.

Hsi Chia (熙洽) State Minister; Lt.-Gen.; b. Aug. 1884, Fengtien Prov. Career: grad. Mil. Acad. Tokyo; apptd. Instructor Military Coll. Three Eastern Prov.; Dir. of same; Chief Staff Kirin Army Office: Secr.-Gen. Kirin Prov.; Gov. of same 1932-34; visited Japan as Spec. Envoy of Manchoukuo 1934; Finance Min. 1934-35. Present post: Imp. Household Min. of Manchoukuo. Address: Imp. Household Dept., Hsinking.

Hsieh Chieh-shih (謝介石) Company Official; b. 1878, Taiwan; s. Hsieh Ching-Hsi. Career: grad. Law Dept. Meiji Univ.; Adv. to Gov.-Gen. of Kirin Prov.; Councillor to Chiankiang Inspector-General's Office; Dir. Foreign Affairs Office same; Chief Kirin Foreign Affairs Office; Mayor of Harbin; Del. Manchoukuo Foundation Conf.; Foreign Min. of Manchoukuo 1932; visited Japan as Envoy for returning courtesy for recognition of Manchoukuo 1932; Privy Councillor Manchoukuo 1935; Amb. to Tokyo 1935-37. Present post: Chairman Manshu Bosan (Real Estate and Bldg.) K.K. Address: Hsinking.

Hsing Shih-lien (邢士廉) Lieutenant-General: b. 1885, Shenyang-hsien, Fengtien Prov. Career: grad. Mil. Acad. cavalry, Japan; comdr. Kiangsu, Anhui and Antung Suppression Armies; comd. 20th Div. of North-Eastern Army and police chief Peking, 1926; vice-comdr. Peking Guards, 1927; aide-de-camp to Marshall Chang Tso-lin, 1927; negotiated Alliance between National Army and Fengtien Army upon death of Chang Tso-lin; comdr. Guards of Kirin-Changchun and Kirin-Tunhua Rys. after foundation of Manchoukuo; Comdr. Hsinking District Divi. and 10th Combined Brig.; dir. Central Mil. Training Sch. Comdr. 5th Army Hdqrs. (Jehol). Comdr. 4th Army Hdqrs. May, 1939-March, 1941. Present post: Comdr. 1st Army Hdqrs., since March 1941. Address: 1st Army Hdqrs. Mukden, Manchoukuo.

Hsu Chia-Huan (徐家桓) Official; b. 1894, Kirin Prov. Career: grad. Law Course Kyoto Imp. Univ.; Govr. Chang-li Pref. Hopei Prov.; Gov. Penhsi Pref., Fengtien Prov. Procurator, Fengtien Prov.; Chief Gen. Aff. Sec., Gen. Aff. Bd. Kirin Prov.; Mayor, Kirin City 1937-1941. Present post: Gov. Ssuping Prov. since June, 1941. Address: Provincial Office, Ssuping Prov. Manchoukuo.

Hsu Peng-chih (徐鵬志) Businessman; Pres. of Daido Alcohol Co. Address: c/o Daido Alcohol K.K. Eiwagai, Bakako, Harbin.

Hsu Shao-ching (徐紹卿) Official; b. 1892, Mukden. Career: grad. Agr. Coll. Tokyo Imp. Univ.; Engr. Three Eastern Prov. Arsenal; Councillor Fengtien Prov. Office; Chief Ind. Dept. Fengtien Prov. 1933-34; Gov. Chinchow Prov. 1937; Mayor of Hsinking 1938; Manchoukuo Min. to Italy 1938-40. Present post: Dir. Gen. Postal Adm. Bur. since May 1940. Address: Hsinking.

Hsu Tsien-chiu (徐漸九) Official; b. 1900 Kirin Prov. Career: grad. Econ. Coll. Kyoto Imp. Univ. 1923; Chief Fgn. Aff. Sec. Harbin Fgn. Office; Magistrate Kirin-hsien; Chief Gen. Aff. Sec. Harbin Muni. Office; Chief Acct. Sec. Gen. Aff. Board; Vice-Mayor of Fushun 1938. Present post: Mayor of Tiehling since 1941. Address: Muni. Office Tiehling, Manchoukuo.

Hsu Pao-heng (許寶衡) Official; b. 1876, Chekiang Prov. Career: Chief Secr. Liaoning Prov. Office; Adv. Heilungkiang Prov. Office. Present post: Dir. Gen. Affairs Bur. Imp. Household Dept. Manchoukuo. Address: Imp. Household Dept., Hsinking.

Hsu Wei-hsin (徐維新) Procurator: b. 1886, Kaiping-hsien, Fengtien Prov. Career: grad. Fengtien Law Coll.; Procurator Antung Proc. Office; Haichow suppression governor; govr.-gen. Chiangsu Prov.; court martial official; govr .Liaoyuan-hsien, Fengtien Prov.; Pres. Fengtien High Procurator's Office. Present post: Pres. Supreme Procurator's Office since 1939. Address: Dept. of Justice, Hsinking.

Huang Fu-tsun (黃富俊) Official; b. 1890, Shenyang-hsien, Fengtien Prov. Career: grad. Fengtien Law Coll. 1909; Chief Inspector Fengtien Mil. Provisions Dept.; Comdr. Communications Line Chenwei Army; Adv. Tungsheng Special Dist. Gov.'s Office; Dir. Local Admin. Bur. Civil Affairs Dept. 1932-37; Gov. Antung Prov. Manchoukuo. Present post: Gov. Sankiang Prov. Address: Governor's Residence, Tsitsihar, Manchoukuo.

Hung Wei-kuo (洪維國) Vice-pres. Manchuria Salt Ind. Co. Address: c/o Manshu Engyo K.K. Kotoku Bldg. Daido-daigai, Hsinking.

I

Ihoriya, Makoto (庵谷 忱) Businessman; b. Dec. 1, 1875, Okayama-ken. Career: came to Manchuria 1902; Pres. Mukden Chamber of Com. & In.; Mukden Financial Guild. Present post: Pres. Sanyu Koshi. Address: 36, Heian-dori, Mukden.

Iino, Takeo (飯野毅夫) Official; b. 1879, Nara-ken; 3rd s. of Tomi Iino. Career: grad. Tokyo Imp. Univ. English law, 1921; joined Communications Dept.; chief Toyohashi Post Office; served various bureaux of Communications Dept.; delegate

Intn'l Telegraph Conf. and Intn'l Wirless Telegraph Conf., Madrid, 1931; entered Manchoukuo government service in Feb. 1939. Present post: vice-minister, Dept. of Communications, Feb. 1939. Address: Dept. of Communications, Hsinking.

Iizawa, Juichi (飯澤重一) Official; b. 1902 Nagano-ken. Career: grad. Litt. Dept. Tohoku Imp. Univ.; joined S.M.R. Co.; Councillor, Manchoukuo Legislative Bureau; Chief Acct. Bur. 1939; Chief, Gen. Office. Building Bureau. Present post: Dir. Acct. Bureau since May 1940. Address: c/o Kokumuin, Hsinking.

Ikumatsu Kiyoshi (生松淨) Official; b. Jan. 1901, Kanagawa-ken; e.s. of Sarumatsu Ikumatsu. Career: grad. Tokyo Imp. Univ., econ., 1925; asst. to Dr. Shigemi Hijikata, prof. Tokyo Imp. Univ.; served S.M.R. Co., 1928-32; commissioner Finance Dept. of Manchoukuo, 1932; chief accountant Finance Bur. of Finance and Com. Dept., 1937; sent to Europe and America for inspection, 1937; Dir. Bur. of Supplies. Present post: Dir. Com. Aff. Bur., Dept. of Fin. & Com. Address: Dept. of Fin. & Com. Hsinking.

Imayoshi, Toshio (今吉敏雄) Official. Career: grad. Eng. Law Course Tokyo Imp. Univ. 1922; entered govt. service; Dir. Educ. Affairs Bur. Wakayama-ken; Dir. Police Bur. Iwate-ken; Chief 1st Sect. Chosen Dept. of Overseas Affairs Dept. 1932; Chief Planning Sect. Supt. Bur. of same; Secr. Overseas Affairs Dept. and Commr Chosen Govt. 1934. Present post: Civil Administration Bd. of Kwantung Bureau, since 1938. Address: Kwantung Bureau, Hsinking.

Imai, Zenji (今井善治) Engineer; b. Nov. 1881, Niigata-ken; s. Matazo Imai. Career: grad. Mil. Acad., 1909; grad. Engrg. Coll., Tokyo Imp. Univ. 1917; served at Military Explosives Works; sent to Eur. for study 1921; Dir. Mukden Arsenal since 1939. Present post: Dir. Manchuria Gun Powder Ind. Co. since Feb. 1941. Address: 7, Aoicho, Mukden.

Inagaki, Yukio (稲垣征夫) Official; b. 1897, Nagano-ken. Career: grad. English Law Course, Tokyo Imp. Univ. 1921; served at Com. & Ind. Dept.; Chief, Research Sec. Patents Bur.; Secr. Overseas Aff. Dept. & Sec. Chief Ind. Bur. 1930; Sec. Chief Chosen Dept.; Commr. Chosen Gov.-Gen. attached to Kwantung Army Hdqrs.; Gen. Bur. of Development, 1940. Present post: Dir. General Bur. of Development and Vice-Min. Agr. Dept. additionally, since July 1941. Address: Kaitaku Sokyoku, Hsinking, Manchoukuo.

Ino, Eiichi (井野英一) Official, Judge; b. June 24, 1884 Tokyo-fu; s. of Kumekichi Ino, businessman. Career: grad. Law Coll. Tokyo Imp. Univ. 1908; apptd. Probationary judge 1908; Procurator Tokyo Local Court; Dept. Chief of same; Judge Supreme Court 1925; Vice-pres. Supreme Court of Manchoukuo 1935. Present post: Pres. Supreme Court since 1939. Address: 104 Hakusan-Jutaku, Enkoro, Hsinking.

Inouye, Tadaya (井上忠也) Lt.-Gen.; b. 1879 Kumamoto-ken. Career: grad. Mil. Acad. 1900; Mil. Coll. 1911; Staff Taiwan Army; Staff Provision Dept. Vladivostok Expedition; Chief Staff 19th Div.; Comdr. 16th Brig.; Comdr. Shimonoseki Fortress; Comdr. 1st Independent Garrison; entered Manchoukuo civil service; Pres. Manchoukuo Concordia Assn.; Adv. same. Present post: Pres. Tatung Academy since 1935. Address: Tatung Academy, Hsinking, Manchoukuo.

Isaev, Nicholas Ivan. U.S.S.R. Acting-Cons. at Dairen; b. 1903, Kursk, Russia; s. Ivan Isaev, worker. Address: U.S.S.R. Consulate, Dairen.

Ishida, Raku (石田 磊) Official; b. Japan. Career: Chief Mining Admin. Sec. Tokyo Mining Supt.-int. Bur. Dept. of Com. & Ind.; Sec. Chief Patents Bur.; Chief 9th Sec. 4th Dept. Prov. Materials Adjustment Bur.; Chief Staple Fibre Sec. Fibre Bur. 1939. Present post: Dir. Ind. Bur. Dept. of Finance & Com. Manchoukuo since 1941. Address: Keizai-bu, Hsinking.

Ishikawa, Shosaku (石川正作) Businessman; b. March 1865, Mie-ken; s. of Hachiroemon Ishikawa. Career: grad. Tokyo Higher Com. Sch. 1886; Pres. Tokyo Book Co.; Dir. Tokyo Cellophane Paper Co., Japan Paper Mfg. Assn. Present post: Pres. Manchuria Book Pub. Co., Manchuria Book Distribution Co. Address: c/o Manshu Tosho K.K. 14 Nishi-shichimaro, Hsinking.

Ishikawa, Tomekichi (石川留吉) Businessman; b. Feb. 1885 Tokyo. Career: grad. Tokyo Imp. Univ. 1909; entered Furukawa & Co.; Supt. Ashio Mine; same Hitachi Mine; Expert Chosen Govt.-Gen.; went to Europe and Amer. to inspect ore-dressing 1931. Present post: Pres. Manchuria Gold Mining Co. Address: c/o Manshu Saikin K.K. Kaijo Bldg. Daido-daigai, Hsinking.

Ishioka, Takeshi (石岡 武) b. 1898 Saitama-ken. Career: grad. Polit. Course Tokyo Imp. Univ. 1922; entered S.M.R.; Chief Local Office at Liaoyang, Ssupingkai; Vice-Chief Ind. Dept. Harbin Rys. Bur.; Chief Ind. Dept. Mutankiang Rys. Bur. Present post: Chief Gen. Aff. Dept. Hydro-electric Const. Bur. Address: Dept. of Industry, Hsinking, Manchoukuo.

Ishisaka, Hiroshi (石坂 弘) Official; b. 1902, Kumamoto-ken. Career: grad. Polit. Dept. Tokyo Imp. Univ. 1925; served Agr. Affairs Bur. 1927; Engrg. Affairs Bur. 1937; entered Manchoukuo Govt. service and became Chief Agr. Admini. Section, Agr. Affairs Bur. 1937. Present post: Dir. Agr. Affairs Bur. since Jan. 1939. Address: c/o Dept. of Agr. Hsinking.

Isogo, Makizo (五十子巻三) b. Tokyo. Career: grad. Polit. Course Tokyo Imp. Univ. 1923; Dir. Agr. Aff. Bur. Manchoukuo; Sec. Chief Gen. Development Bur.; Chief Gen. Aff. Sec. same 1939. Present post: Vice-Gov. Kirin Prov. since 1941. Address: Provincial Office, Kirin, Manchoukuo.

Itagaki, Morimasa (板垣守正) Writer and Social Worker; b. Mar. 15, 1900, Tokyo; grand s. Taisuke Itagaki, statesman of Meiji Era; m. Momoko, 2nd d. Susumu Fukushi. Career: grad. Sociology Course Tokyo Imp. Univ. 1925; Secr. to Mitsugu Sengoku, Pres. of S.M.R.; Non-Official Staff Kyocho-kai and Overseas Dept.; with Manchoukuo Concordia Assn. since 1936; served Publicity Sect. of Central Hdqrs. of same; Chief, Information Bur. Central Hdqrs. of Manshu-Teikoku Kyowa-kai (Concordia Assn.). Present post: Councillor, Minister's Secretariat Dept. Welfare, since April, 1941. Address: No. 1 Daini Daiyo Kaisha, Kinkiro, Hsinking.

Ito, Sonosuke (伊藤莊之助) Official: b. Jan. 1893, Niigata-ken; 5th s. of Tokutaro Ito. Career: grad. Tokyo Imp. Univ. for., 1917; councillor Okayama-ken; commissioner Agr. and For. Dept.; sec. chief Stock Breeding Bur.; chief Horse Affairs sec. of Horse Adm. Bur.; Present post: Dir. Forestry Bureau since Sept. 1939. Address: Forestry Bureau, Dept. of Agriculture, Hsinking.

J

Jung Hou (榮厚) Ex-Official; b. 1874 in Peking. Career: In the era of Ching Dynasty; Tse-fu of Chingchow; Pres., Mint of Fengtien; Supervisor Financial Dist. of Three Eastern Prov.; Commr. of Finance, Civil Affairs, Fengtien. In the era of Republic of China: Tao-yin of Liaoshen, Fengtien; Commr. of Foreign Affairs, Yingkow; Commr. of Finance Heilungkiang; Supt. of

Customs, Ai-hwe; Commr. of Ind., and later Foreign Affairs, Kirin; Tao-yin, Ki-Chang; Commr. of Finance, Kirin; Pres. of Eastern Kuo-min Publicity Assn.; with Manchoukuo Govt. since its est.; Pres. Central Bk. of Manchou 1932-36. Present post: Privy Councillor, Manchoukuo; Pres. Manchoukuo Japanese Cultural Assn. Address: Hsinking.

Jung Yuan (榮源) Businessman; b. 1884, Lungkiang Prov.; n. Manchoukuoan. Career: grad. Peking Univ.; Adv. to Manchoukuo Imp. Household Dept. upon its establishment. Present post: Pres. Manchuria Aeronautical Co.; Aud. Manchuria Automobile Mfg. Co. Address: Manchuria Aeronautical Co., Hsinking.

K

Kagoshima, Torao (鹿兒島虎雄) Official; b. Aug. 1886, Nagasaki-ken; e.s. of Tokinari Kagoshima; m. Koto. Career: grad. Tokyo Imp. Univ., politics, 1910; entered Japanese Imperial Household Dept.; toured Europe and America 1926; Deputy Grand Master of Ceremonies, 1926-1939. Present post: Vice-Minister, Manchoukuo Imperial Household Dept., since May 1939. Address: Imperial Household Dept., Hsinking.

Kaise, Kingo (貝瀨謹吾) Company Official; b. March 1878, Tokyo; s. of Gengoro Shimano. Career: grad. Kyoto Imp. Univ. mech. engrg., 1901; engr. Railway Construction Bureau; joined S.M.R.; manager Dairen Administration Office; manager Wharf Office; manager Industrial Dept.; chairman Technical Committee; retired, 1931. Present post: Pres. Manshu Chemical Industry Co., Pres. Manchuria Technical Assn., chairman Dairen Municipal Assembly; auditor Showa Steel Works; non-regular staff S.M.R. Address: Manchuria Chemical Industry Co., Dairen.

Kajitsuka, Ryuji (梶塚隆二) Surgeon Lt.-Gen. M.D.; b. Sept. 1888, Miyaki-ken; s. Ryuan Kajitsuka, physician. Career: grad. Med. Coll. Tokyo Imp. Univ.; apptd. Surgeon 1915; Chief Sanitary Sect., Army Dept., visited Eur. and Amer. 1928-29. Present post: Chief Mil. Surg. Dept. Kwantung Army. Address: c/o Kwantung Army Hdqrs. Hsinking.

Kamio, Yoshiharu (神尾弌春) Official; b. 1894. Career: grad. Law Coll. Tokyo Imp. Univ. 1918; entered Fukuoka-ken Pref. Office; Commr. Chosen Govt. 1927; Sec. Chief Educ. Dept. same; resigned 1933; Chief Secretary, General Affairs Board State Council 1933-35; Dir. Educ. Bureau 1935-36; Chief Gen. Affairs Board Lungkiang Prov.; Vice-Gov. same Prov.; Councillor Gen. Affairs Bd. and Prof. Kienkuo Univ. Present post: Chief Secretariat Privy Council. Addres: Privy Council Office, Hsinking.

Kan Chao-hsien (闞潮洗) Banker; b. 1884, Chinchow Prov. Career: Comdr. Brig. of Northeastern Army; Military Gov. of Jehol; Aud. Central Bk. of Manchou 1932; Dir. and then Vice-pres. Present post: Pres. Central Bk. of Manchou since 1940. Address: Central Bk. of Manchou, Hsinking.

Kanki, Shoichi (神吉正一) Official; b. Jan. 5, 1897; s. of Tsunekichi Kanki. Career: grad. Law Coll. Tokyo Imp. Univ., 1920; Secr. Emb. London 1923; Secr. Foreign Office 1928; Dir. Political Affairs Bur. 1936; Dir.-Gen. Foreign Office, Manchoukuo; Vice-Dir.-Gen. Gen. Affairs Bd. of Manchoukuo; Vice-Min. People's Welfare, Manchoukuo 1939. Present post: Gov. Chientao Prov. Address: Gov.'s. residence, Chientao, Manchoukuo.

Kasahara, Toshiro (笠原敏郎) Official; D. E.; b. June 16, 1882, Niigata-ken; s. of Nagamasa Kasahara. Career: grad. Engrg. Coll. Tokyo Imp. Univ. 1907; Engr. Army Office; Metro. Police Bd. Home Dept.; Chief 2nd Tech. Sec. City-Planning Bur.; Chief Building Sec. Reconst. Bur.; Prof. Nihon Univ., Dir. Supplies Bur. President post: Dir. Construction Bur. Manchoukuo. Address: Hsinking.

Kasai, Enzo (笠井圓藏) Company Official: b. 1893 Gifu-ken. Career: grad. Osaka Higher Com. Sch. 1917; entered Bk. of Japan; served at at Otaru & Kanagawa Branches; Chief Research Sec. Central Bk. of Manchou since Dec. 1940. Address: c/o Central Bk. of Manchou, Hsinking.

Kashiwagi, Masamitsu (柏木勝光) Businessman; b. Apr. 17, 1892; s. Sentaro Kashiwagi. Career: grad. Spin. & Weaving Course Tokyo Higher Tech. Sch. 1912; despatched to Siberia 1918-19; served Tokyo Keori K.K. 1915-23, Tokyo Muslin Spin. & Weaving Co. 1923-31; Chief Nagoya and Okazaki Factories Manmo Keori K.K.; Mgr. Nagoya Br. of same; Dir. same 1936. Present post: Mng.-Dir. Manmo Keori K.K. Aud. Manmo Keori Dept. Store. Address: Co.'s Residence, Mukden, Manchoukuo.

Kazahaya, Yoshio (風早義雄) Official; b. 1902 Kagoshima-ken. Career: grad. Law Coll. Tokyo Imp. Univ. 1925; entered Dept. of Com. and Ind.; served at Fukuoka Mining Inspection Bur.; Chief Gen. Affairs Section, Weights and Measures Bur. Dept. of Ind. 1934; Chief, Heavy Ind. Sec. Mining Engrg. Bur. 1937. Present post: Dir. Mine Bur. since Aug. 1939. Address: c/o Dept. of Economics Hsinking.

Ki Hsing (吉興) General; b. 1879, Shenyanghsien, Fengtien Prov. Career: grad. Artillery Course, Mil. Acad. in Japan; Chief Staff 27th Div., 1918; Fengtien Prov. Army 1919; Kirin Prov. Army; Adviser Kirin Prov. Govt. 1921; Comdr. 13th Mixed Brigade 1924; Comdr. Yenchi Guards Army; Comdr. 2nd Dist. Army (Kirin Prov.) Present post: Chief Aide-de-Camp to H.I.M. the Emperor of Manchoukuo, since March, 1941. Address: c/o Imp. Household Dept. Hsinking.

Kibe, Yohei (岐部與平) Official; b. 1895, Oita-ken. Career: Chief Finance Sec. Dairen Civil Adm. Office; Post Office Master Hsinking & Mukden; Dir. Postal Adm. Bureau, Harbin; Vice-Min. Tungan Prov. Present post: Gov. Tungan Prov. Address: c/o Tungan Prov. Office, Tungan, Manchoukuo.

Kida, Kiyoshi (木田　清) Career: grad. Teachers Training Institute Tokyo Univ. of Com.; Teacher Niigata Normal Sch.; Councillor Legislative Bur. Manchoukuo 1932; Commr. Gen. Aff. Board; Chief Personnel Sec.; Councillor Gen. Aff. Board & Commr. Kienkuo Univ. 1939; Educ. Insp. Welfare Dept. 1940; Dir. Educ. Bur. Welfare Dept. since 1941. Address: Hsinking.

Kihara, Tetsunosuke (木原鐵之助) Lawyer; b. Sept. 1897, Ehime-ken; s. Michinori Kihara; established present law office, Dec. 1924. Address: (home) 1 Heiwa-dai, Dairen: (office) Kojima Bldg., 17 Nishi-dori, Dairen.

Kimura, Hidenori (木村秀儀) Company Official; b. 1899, Fukushima-ken. Career: grad. Tokyo Higher Com. Sch. 1921; entered Mitsui Bk.; served at Yokohama, New York & Shanghai Branches; Present post: Chief Dairen Branch Mitsui Bk. since 1932. Address: 21, Suimei-cho, Dairen.

Kimura, Hyotaro (木村兵太郎) Lt.-Gen.; b. 1888. Tokyo. Career: grad. Military Acad. 1909, Mil. Staff Coll.; Staff Art. Inspectorate; Instructor Field Art. Sch.; Chief Ordnance Control Sect. Dept. 1935; Dir. Ordnance Bur. Army Dept. 1936; Chief Osaka Army Arsenals; fought in China Incident; Chief Staff, Kwantung Army Oct. 1940-Apr. 1941. Present post: Vice-Minister of War since April, 1941. Address: War Office, Tokyo.

Kinney, Charles Bishop. Co. Official; b. Jan. 30, 1905, Honolulu, Hawaii; n. American; s. H. W. Kinney; m. Hideko Chishaki in 1931. Career: Elementary Sch. in Hawaii and High Sch. in Tokyo; grad. Univ. of Calif., U.S.A.; Editor "Marysville Appeal" 1927-28; Adviser S.M.R. Co. since 1928. Address: (home) 136 Suimeicho, Hoshigaura, Dairen; (office) S.M.R. Co., Dairen.

Kishitani, Ryuichiro (岸谷隆一郎) Official; b. 1901 Aomori-ken. Career: grad. Russo-Japanese Society Sch. 1923; Asst. Prof. same; entered Manchoukuo Civil Service 1932; Commr. Heilungkiang Prov.; Councillor Changchun-hsien; Chief Police Aff. Dept. Tunghua Prov. 1937; Councillor Public Peace Dept. Present post: Councillor Gen. Aff. Board since Aug. 1941. Address: c/o Gen. Aff. Board, Hsinking.

Kitamura, Hisanao (北村久直) b. 1900, Otsu City. Career: grad. Law Coll. Kyoto Imp. Univ. 1924; elevated to Procurator: entered Manchoukuo Civil Service: Proc., Hsinking Proc. Office 1925; Commr. & Chief 1st Sec. Criminal Aff. Bur. 1936; Proc., Supreme Proc. Office; Vice-Chief Harbin Proc. Office; Proc., Supreme Proc. Office 1938. Present post: Dir. Criminal Aff. Bur. since 1940. Address: Dept. of Justice, Hsinking, Manchoukuo.

Kiyohara, Norimasu (清原範益) Manchoukuo Official; b. Nov. 1883 in Chusei-Hokudo, Chosen. Career: grad. Foreign Lang. Sch. 1903; interpreter of Army 1904; Secr. Dept. of Agr. & Com. Chosen Govt.; Gov. Kogendo 1929. Present post: Gov. Chientao Prov. Manchoukuo. Address: Chientao Prov. Office, Yenki.

Kohara, Saburo (小原三郎) Official: b. 1889, Ibaragi-ken. Career: grad. Mil. Paymaster's Sch. 1910; entered mil. service; Chief Requisites Sec. Present post: Chief Printing Office since Jan. 1940. Address: c/o Insatsusho, Hsinking.

Koinuma, Heishiro (鯉沼兵士郎) Mayor of Fushun; b. 1896 Tochigi-ken. Career: grad. Com. Dept. Waseda Univ. 1923; joined S.M.R. Co.; served at its Fushun Coal Mine and Ssupingkai Office; Chief, Fin. Affairs Bur. Hsinking Muni. Office 1937; present post since June 1939. Address: c/o Fushun Muni. Office, Manchoukuo.

Komoto, Daisaku (河本大作) Businessman; b. Jan. 1893. Career: grad. Mil. Staff Coll.; staff mil. Staff Office; served in Vladivostok Expedition; Asst. Mil. Attache, Leg. in China; Instructor Mil. Staff Coll.; Staff Kwantung Army; Dir. S.M.R. Co. 1932-36; Dir. Manchuria Heavy Ind. Development Co. 1938. Present post: Pres. Manchuria Coal Mining Co. Address: c/o Manshu Tanko K.K. Kojin-dairo, Hsinking.

Kondo, Yasukichi (近藤安吉) Engr.; Official; b. Dec. 15, 1887, Kochi-ken; s. Katsunosuke Kondo. Career: grad. Engrg. Coll. Kyoto Imp. Univ. 1916; entered S.M.R. Co.; Chief, 1st Br., Reconstruction Bur.; Engr. Home Dept.; Chief Tech. & Gen. Affairs Sect. Capital Construction Bur., Manchoukuo Govt. Present post: Vice-Gov. Lunkiang Prov. Address: Lunkiang Prov. Office, Manchoukuo.

Ku Tsu-heng (谷次亨) State Minister; b. 1898, Kwantung Prov. Career: grad. Litt. Course Tokyo Higher Normal Sch.; Non-regular Staff S.M.R. Co.; Secr. Penhsihu Iron & Colliery Co.; Sect. Chief Personnel Bur. Manchoukuo State Council; Chief Educ. Bur. Antung Prov. Vice-Secr.-Gen., Gen. Aff. Bd. since 1937; concurrently Dir. Gen. Home Office Manchoukuo Govt. since 1939. Present post: Minister Dept. of People's Welfare since Dec. 1940. Address: Dept. of People's Welfare, Hsinking.

Kubo, Tohru (久保　孚) Businessman; b. May 1887, Kochi-ken. Career: grad. Mining Course Tokyo Imp. Univ. 1912; joined S.M.R. Co.; inspection tour of Amer., Eng. and Germany. Present post: Dir. S.M.R. Co. and chief Fushun Colliery of same. Address: 1 Kita-machi, Eiandai, Fushun, Manchoukuo.

Kubota Kanichiro(久保田貫一郎)Diplomat; b. 1902 Wakayama-ken. Career: grad. Tokyo Univ. of Com., Sorbonne Univ. 1927; 3rd Secr. Embassy Brussels & Moscow; 2nd Secr. Embassy Moscow; served 1st Sec. Europe & Asia Bur. Present post: Consul-General at Harbin since 1939. Address: Japanese Consulate-Gen. Harbin.

Kubouchi, Ishitaro (窪内石太郎) Businessman; b. Feb. 9, 1885, Ehime-ken; s. Bunjiro Kubouchi, marine transporter. Career: grad. Mining Course Tokyo Imp. Univ.; joined Meiji Mining Co. 1913; Dir. Meiji Mining Co., Hirayama Mining Co., Kaho Mining Co. till 1922; with present firm since 1922. Present post: Vice-pres. Manchuria Coal Mining Co. Address: c/o Manshu Tanko K.K., Kojin Tairo, Hsinking, Manchoukuo.

Kuehlborn, Georg. Foreign Service; b. July 8, 1888, Kassel; s. Georg Kuehlborn official. Career: entered foreign service 1914 as student-interpreter at Peking; Vice-Cons. at Mukden 1921, Vladivostock 1923, Mukden 1924; Acting-Cons. at Mukden 1925; Secr. to German Leg. Peking 1926; Councillor Leg. Peking and Nanking 1930; served Foreign Office Berlin 1933-36. Present post: German Cons. at Mukden since 1936; concurrently Councillor of Legation in Hsinking since Nov. 1938. Address: German Consulate, Mukden.

Kung Shih-pei (孔世培) Official; b. 1885, Chufu, Shantung Prov. Career: grad. Peers' Coll. 1903; Chief Ssupingkai-Taonan Ry. Police Dept. 1916; Dir. Peking Highways Bur.; Vice-Dir. State Highways Bur.; Dir. Pub. Works Bur. Kirin Prov.; Dir. Navigation Bur. Communications Dept. Manchoukuo. Present post: Dir. Gen. Postal Admin. Bur. Address: Dept. of Communications, Hsinking.

Kuniyoshi, Kiichi (國吉喜一) Businessman; b. Mar. 1894, Yamaguchi-ken; s. Tomozo Tsujino, adopted into Kuniyoshi family. Career: grad. Applied Chem. Course Kyushu Imp. Univ. 1918; joined Onoda Cement Co. upon grad. sent to Eur. and Amer. for study 1924; Mgr. Dairen Br. same 1930. Present post: Mng.-Dir. Onoda Cement Co.; Dir. and Mgr. Kwantoshu Onoda Cement Co., Onoda Cement Co. of Manchuria; Dir. Harbin Cement Co., Ltd. Address: Choushuitzu, Dairen suburb.

Kuo Wen-lin (郭文林) Major Gen.; b. Solon Banner Hsingan North Prov. Career: grad. Mil. Acad. Tokyo; Comdr. Cavalry Reg. Imp. Guard. Present post: Comdr. 9th Mil. Dist. since 1941. Address: 9th Mil. Dist. Hdqr. Tugnliao.

Kurata, Yoshimatsu (倉田芳松) Businessman; Managing Director Dairen Steamship Co. Address: c/o Dairen Kisen K.K. 10 Enko-gai, Antung, Manchoukuo.

Kuriyama, Shigeji (栗山茂二) Official; b. 1898, Ishikawa-ken. Career: grad. Law Coll. Tokyo Imp. Univ.; Dir. Judicial Affairs Bur., Manchoukuo Justice Dept. 1932-33; Judge North Manchuria Spec. Dist. High Court 1934-35; Vice-Chief High Procurators' Office Chinchow Prov.; Dir. Police Bur. Lungkiang Prov.; Vice-Gov. Tunghua Prov. Manchoukuo 1938-Dec., 1940. Present post: Councillor Gen. Aff. Board since 1940. Address: c/o Gen. Aff. Board, Hsinking.

Kusama, Hideo (草間秀雄) Businessman; b. May 1882, Fukui-ken; s. Tokio Kusama. Career: Law Coll. Tokyo Imp. Univ. 1907; entered Finance Dept.; Commr., Revenue Supt. Bur.; Financial Commr. Russia; Secr. Finance Dept.; Chief Nat. Tax Sect.; Dir. Finance Bur. Chosen Govt.-Gen.; Insp., Bank of Chosen & Oriental Develop. Co.; Mayor of Nagasaki 1932-33; Pres. Manchuria Gold Mining Co., 1935-38. Present post: Vice-Pres. Nippon Gold Mining Co. Address: 16 Tokiwa-cho 1-chome, Hsinking.

Kushida Fumio (櫛田文男) b. Fukushima-ken. Career: grad. Polit. Course Tokyo Imp. Univ. 1923; served Finance Dept.; entered Manchoukuo Civil Service; Commr. Welfare Dept.; Chief Fin. Sec. Local Aff. Bur.; Chief Gen. Aff. Sec. Supervisory Bd.; Vice-Chief Fengtien Revenue Office 1937. Present post: Vice-Gov. Mutankiang Prov. Address: Provincial Office, Mutankiang City, Manchoukuo.

Kusumi, Yoshino (楠見義男) b. 1903 Hyogo-ken. Career: grad. Tokyo Imp. Univ. 1928; Chief Secr. Min's Cabinet Agr. & For. Dept.; Chief research Sec.; entered Manchoukuo Civil Service; Dir. Agr. Products Bur. Agr. Development Dept. Manchoukuo since 1939. Address: Hsinking.

L

Langdon, William Russell. Foreign Service; b. July 31, 1891, Turkey; n. American; s. James D. Langdon, businessman. Career: Japanese lang. officer, Japan 1914-16; Vice-Cons. or Cons. in Japan, China and Canada since 1920. Present post: Amer. Cons. at Mukden. Address: American Consulate-General, Mukden, Manchoukuo.

Larkins, Geoffrey I. Businessman & Foreign Service; b. Feb. 1898; s. F. Larkins; m. Dulcie Howell. Present post: Hon. Consul for Norway at Dairen. Address: c/o W. H. Winning & Co., P.O. Box 134, Dairen.

Li Shao-ken (李紹庚) Diplomat; b. 1896, Shenyang-hsien, Fengtien Prov.; s. Li Yungwoo. Career: grad. Russian Com. Sch. 1920; Sino-Russian Law & Political Univ. Harbin; Chief Seer. Harbin Municipal Administration Bur.; Vice-Dir. same; Adv. to North Manchuria Ry. Administration Office, Fengtien Prov.; Cons.-Gen. at Vladivostok; Dir. Educ. Administration Bur. Harbin 1927; Dir. N. M. Ry. Administration Bur.; Chief-Dir. N. M. Ry. 1932-35. Minister of Communications, 1935-1940. Present post: Ambassador to Japan since 1940. Address: Manchoukuo Embassy, Tokyo.

Li Wen-lung (李文龍) Lieut.-Gen.; b. 1892 Lishu-hsien, Fengtien Prov. Career: grad. Mil. Coll. Fengtien; Comdr. 11th Reg. 16th Div. 1932; Comdr. 11th Inf. Reg. 4th Brig. Kirin Garrison 1933; Chief Staff 4th Mil. Dist.; Mil. Attache Embassy Tokyo 1937; Comdr. River Fleet since 1941. Address: Harbin.

Liao Pi-chen (廖弼宸) Lt.-Gen., b. 1894, Suichung-hsien, Chinchow Prov. Career: grad. Infantry course of Paoting Military Acad.; Comdr. Liaoning Inf. 2nd Brig.; upon establishment of Manchoukuo apptd. Comdr. Yalu River Dist. Defense Hdqrs. in Fengtien Prov.; Comdr. Combined 1st Brig. of Fengtien Defense Army; Lt.-Gen. since 1934; Comdr. Fengtien Defence Hdqrs.; Comdr. Antung Defense Hdqrs. 1939. Present post: attached Dept. of Public Peace. Address: Public Peace Dept. Hsinking.

Liu En-ko (劉恩格) Official; b. 1891, Liaoyang-hsien, Fengtien Prov. Career: grad. Mukden Law Coll.; studied law in Japan; Chief, Hsingho-tao, Tsitsihar 1921; Chief Secr. Legislative Council of Manchoukuo. Present post: Officer, Bd. of Rituals. Address: c/o Bd. of Rituals, Hsinking.

Liu Shao-i (劉紹衣) Official; b. 1893, Shenyang-hsien, Fengtien Prov. Career: grad. Peking Univ., litt., 1915; prof. Shenyang Higher Normal Sch.; chief Accounts and Archieves & Documents sections Peking House of Representatives; chief General Affairs sec. Hsingho Governor's Office; Councillor Finance Dept. of China; chief secr. Fengten Financial Board; entered Manchoukuo Govt. service, 1932. Present post: Dir. General Monopoly Bureau, Dept. of Economics, Hsinking.

Liu Teh-chuan (劉德權) Company official; b. 1887 Fengtien Prov. Career: grad. Mil. Acad. Tokyo 1911; Chief Staff Heilungkiang Gov.'s Office; Chief Police Admin. Office Harbin; Dir. Ry. Guard Bur.; Pres. Heilungkiang Mil. Officers Training Institute; Councillor Heilungkiang Prov. Gov.; Chief Police Dept. Heilungkiang Prov. after establishment of Manchoukuo; Chief Muni. Admin. Preparatory Office Hulunbuir; Chief Civil Admin. Dept. Heilungkiang Prov.; Vice-Pres. Tokusan Senkan Kosha 1939. Present Post: Vice-Pres. Nosan Kosha since July 1941. Address: c/o Nosan Kosha Hsinking.

Lu I-wen (呂宜文) Diplomat. Career: grad. Meiji Univ., Tokyo Editor Tatung Daily, Dairen; Dir. Commercial Affairs Bur. Manchoukuo Foreign Dept. 1932-35; Secr. to Prime Min.; Gov. Tunghua Prov. Present post: Manchoukuo Minister to Germany since 1938; concurrently Minister to Hungary since 1939 and to Roumania since May 1941. Address: Manchoukuo Legation, Berlin, Germany.

Lu Tso-hsin (呂作新) Official; b. 1896 Chinchow Prov. Career: grad. Brewery Course, Osaka Engrg. Coll. 1926; Instructor Fengtien Prov. Police Sch. and Arsenal Sch.; Leader Autonomous Dept. Fengtien 1931; Commr. Capital Construction Bur. 1932; Councillor, Dept. for Agr. Development. Present post: Dir. Agr. Admin. Bur. since 1941. Address: Kohno-bu, Hsinking Manchoukuo.

Lu Yuan-shan (盧元善) Official; b. 1888, Chinchow Prov. Career: educated in Japan; Dir. Shangcheng-chen-Yuke Elec. Co.; Staff Track Maintenance Sect. Szetao Ry. Bur.; entered Manchoukuo Govt. service upon its foundation; Secr. Defence Dept. 1932; Chief Ind. Dept. Lungkiang Prov. 1932; Chief Civil Affairs and Education Depts. of same; Dir. Gen. Monopoly Bur. of Manchoukuo. Present post: Gov. Shankiang Prov. since 1938. Address: Gov.'s Residence, Chiamussu, Manchoukuo.

Lien Yu (廉偶) Diplomat; b. 1886 Wuhsi-hsien, Kiensu, China. Career: grad. LL.B. Law Coll. Kyoto Imp. Univ. 1907; passed students Abroad Examination and decorated with Chinshi by the Imperial Court of Ching Dynasty, 1907. Mem. Constitutional Bur.; Lecturer, Law Coll. and Fin. Coll.; Asst. Supt. of Students Abroad Exam. 1908; Chancellor, Mini. of Foreign Aff.; Judge, Supreme Court, 1909-1911; Chief Judge and Pres.-in-charge, Supreme Court, 1912; Pres. High Court of Chekiang, 1913; Pres. High Court of Chili and Honan, 1914-1920; Counsellor Secr. of State; Higher Adviser, Chili Prov. Gov. 1921-1923; Adviser, Shuh-jun Government of Gen. Juan-chi-zu; Councillor, National Assembly Prep. Bur.; Adv. Secr. of State; Secr. Min. of Finance; Asst. Debts Dept. of Min. of Fin. 1924-26. Practiced Law at Tientsin since 1927; Vice-Min. Foreign Aff. 1938; Foreign Min. 1939; Min. Ind. Ministry, Aug. 1939; Spec. Envoy of Ind. to Japan, March 1940; Kan-Char-Shi (Censorship) of Censorial Yuan Oct. 1940. Present post: Ambassador to Manchoukuo, since 1941. Address: Chinese Embassy, Hsinking, Manchoukuo.

Lu Jung-huan (呂榮寰) Ambassador; b. 1890, Fushun, Fengtien Prov. Career: grad. Kiangsu Law Coll.; Vice-Pres. Mukden Assembly; sent to Washington Conf. as Repr. Three Eastern prov. 1923; went to Russia 1923; Chairman Soviet-Chinese Conf. & Mukden-Societ Conf.; Pres. Chinese Eastern Ry. 1924; Gov. Chinese Eastern Ry. 1927-29; Mayor of Harbin & Gov. North-Manchuria Special Dist. 1932-34; Pinkiang Prov. Dec. 1934-May 1935; Civil Affairs Min. 1935-37; Finance Min. May 1937; Minister of Industry until Dec. 1940. Present post: Ambassador to Nanking since Jan. 1941. Address: Manchoukuo Embassy, Nanking.

M

Ma Tsun-sheng (馬駿聲) Mayor; b. 1902 Fengtien Prov. Career: grad. Nat. Peiping Univ.; Principal Harbin 1st Middle Sch.; Councillor, Charhar Spec. Muni.; Chief Secr. Harbin Muni. Office; Chief Admin. Office Harbin Spe. Dist. after establishment of Manchoukuo; Chief Finance Harbin Muni. Office. Present post: Mayor of Chinchow since 1941. Address: Municipal Office, Chinchow, Manchoukuo.

Machida, Yoshikazu (町田義和) Official; b. 1898 Yamaguchi-ken. Career: grad. Civil Engrg. Dept. Tokyo Imp. Univ. 1922; entered Chosen govt. service; Chief Engrg. Affairs Sect. National Road Bureau 1933; Chief Tsitsihar Engrg. and Construction Office 1937. Present post: Dir. Road Bureau since 1939. Address: c/o Communi. Dept. Hsinking.

Maeda, Toshio (前田利男) Prop. of Watch, Jewelry & Spectacle Store; b. Apr. 1890, Nagasaki; s. Tsurumatsu Maeda. Career: served Army Administration Office at Yingkow during Russo-Japanese War 1904; grad. Chinese Lang. Sch. 1908, and Russian Lang. Sch. 1910; engaged in business at Vladivostok 1912-17; opened shop at Harbin 1917; Mem. Harbin Chamber of Com. & Ind. since 1932. Address: 47 Mostowaya St., Harbin.

Maeno, Shigeru (前野 茂) Official; b. Jan. 1899, Okayama-ken. Career: grad. Tokyo Imp. Univ., Law, 1924; judge Tokyo Local Court; chief 3rd section Civil Affairs Bur. of Manchoukuo Justice Dept., 1934; chief Personnel Bur. General Affairs Board; Chief Bur. Criminal Affairs Bur. 1937; Chief Personnel Bur. and Councillor Tatung Academy, April 1939-Jan. 1940. Present post: Vice-Min. of Justice since Jan. 1941. Address: Dept. of Justice, Hsinking, Manchoukuo.

Maffei, Arturo. Foreign Service; LL.D.; D. Polit. Sc.; b. 1883, Pinerolo, Italy; s. Giulio Maffei, lawyer; m. Marinenette Poncet-Zbindene. Career: Consul for Italy in Cordoba, Hankow. Present post: Consul for Italy at Harbin. Address: Italian Consulate, 93 Sungarisky Pr., Harbin.

Magome, Shin-ichi (馬込信一) Official; b. in Chiba-ken. Career: grad. Econ. Dept. Tokyo Imp. Univ. 1928; joined S.M.R. Co.; entered Manchoukuo Govt. service 1923; Chief Gen. Affairs Section Chientao Prov. Office; Police Affair Chief of Mutankiang Prov. Present post: Vice-Gov. Hsingan North Prov. Office Manchoukuo.

Makino, Masamichi (牧野正廸) Lieut.-General, Company official. b. March 1883, Tottori-ken, 4th s. of Shigegoro Mano, adopted by Makino family. Career: grad. Mil. Acad., 1905; Mil Staff Coll., 1915; delegate League of Nations Assembly; staff Taiwan Army; comdr. 1st Reg.; chief staff 12th Div.; comdr. Air Corps of Kwantung Army; chief Inspection Bur. of Aviation Dept.; chief General Affairs Bur. of same; Dir. Hamamatsu Aviation School. Present post: President, Manchuria Aeronautical Co. Address: Manchuria Aeronautical Co., Hsinking.

Manzai, Kikuro (萬歳規矩樓) Official. Career Commr. Justice Dept.; Chief 1st Sec. Civil Aff. Bur.; Judge Supreme Court 1938. Present Post: Dir. Civil Aff. Bur. Justice Dept. since 1940. Address: Dept. of Justice, Hsinking, Manchoukuo.

Matsubara, Umetaro (松原梅太郎) Company Official; b. 1884 Kanazawa City. Career: grad. Tokyo Imp. Univ. law, 1911; served custom houses in Tientsin, Dairen, Shanghai, Tsingtao, Antung and Yingkow; Dir. Tumen Custom House. Present post: Mng.-Dir. Manchuria Weights & Measures Co. Address: Manshu Keiki K.K., 105 Hololu, Hsinking.

Matsuda, Masatsuna (松田正綱) Diplomat; b. 1896 Tokyo. Career: grad. Russian Language Course Tokyo Fgn. Languages Sch. 1919; Chancellor Consulates at Alexandrovsk & Petropavrovsk; Acting Consul Manchouli. Present post: Consul at Manchouli since Apr. 1941. Address: Japanese Consulate, Manchouli, Manchoukuo.

Matsuda, Seizo (松田省三) Managing Director Manchuria Wild Silkworm Cocoon Co. Address: c/o Manshu Sakusan K.K., Iwaimachi 3-chome, Hsinking.

Matsuda, Yoshisuke (松田芳助) Official; b. 1890 Yamagata-ken. Career: grad. Morioka Higher Agri. Sch. 1912; served Police Dept. Kyoto-fu; Sec. Chief Police Dept. Kwantung Govt.; entered Manchoukuo Civil Service; Vice-Chief Harbin Police Board; Chief Police Aff. Dept. Chinchow Prov.; Chief Gen. Aff. Dept. Sankiang Prov.; Vice-Gov. Sankiang Prov.; Vice-Mayor of Mukden 1938; Vice-Gov. Lungkiang Prov. 1940. Present Post: Councillor Gen. Aff. Board since Aug. 1941. Address: c/o Gen. Aff. Board Hsinking.

Matsui, Taizo (松井退藏) Official; b. 1903, Nagoya. Career: grad. Law Coll. Kyoto Imp. Univ. 1927; entered S.M.R.; Manchoukuo Govt. service since 1932; Chief 3rd Sect. Ry. Bur. Comm. Dept. 1932; Secr. Privy Council 1932-36; Councillor Comms. Dept. Present post: Dir. Ry. Bur. Comms. Dept. Manchoukuo since 1939. Address: Communications Dept., Hsinking.

Matsukawa, Kyosuke (松川恭佐) b. 1892 Miyagi-ken. Career: grad. For. Course Tokyo Imp. Univ. 1918; served For. Bur.; Engr. Experimental Station; entered Manchoukuo Civil Service 1936; Engr. Ind. Rationalization Bur.; Chief Planning Sec. For. Bur. Present post: Dir. For. Bur. since 1940. Address: Forestry Bur., Dept. of Agricultural Development, Hsinking, Manchoukuo.

Matsuki, Tamotsu (松木 俠) Official; b. Mar. 1898, Yamagata-ken; s. Kiyonao Matsuki. Career: grad. Law Coll. Tokyo Imp. Univ. 1922; joined S.M.R. Co.; apptd. Legal Adv. to Kwantung Army 1931; Dir. Legislation Bur. Manchoukuo 1932; Councillor same 1933-35; Dir. Legislative Bur. of Gen. Affairs Bd. of Manchoukuo; Chief Secr. Privy Council, same. Present post: Vice-Chief Gen. Affairs Bd. Manchoukuo. Address: 8 Keiminro, Goshikigai, Hsinking.

Matsumoto, Kazuo (松本員男) Businessman; b. Nov. 1869, Tokyo. Career: grad. Tokyo Law Coll.; est. Yingkow Waterworks & Electric Co. Present post: Pres. Yingkow Waterworks and Elec. Co., Yingkow Chamber of Com. & Ind.; Dir. Shinko Bk. Address: 3 Yoshino-cho, Yingkow, Manchoukuo.

Matsumoto, Kozo (松本弘造) Businessman; b. Aug. 3, 1882, Osaka-fu; s. Toyojiro Matsumoto. Career: grad. Law Coll. Tokyo Imp. Univ. 1908; entered Finance Dept.; joined Ind. Bk. of Japan 1915; Dir. of same 1920-30; was in Amer. and China for 4 years. Present post: Mng.-Dir. Oji Paper Mfg. Co., Oji Securities Co.; Dir. Karafuto Ry. Co.; Aud. Chinchow Pulp Co. Address: 27 Kitatani, Shibuya-ku, Tokyo.

Matsuzawa, Masato (松澤萬三人) Businessman; b. Aug. 17, 1889, Nagano-ken. Career engaged in business of chemicals, construction materials and of plumbery work. Present post. Prop. of Matsuzawa Shokai. Address: 20 Kanbu-dori, Dairen.

Mike, Kazuo (三毛一夫) Lieut.-Gen; b. 1883 Wakayama-ken. Career: grad. Mil. Academy 1904; Instructor Mil. Coll.; Mil. Attache Embassy Moscow; Comdr. 43rd Inf. Reg.; Sec. Chief Gen. Staff Office; Comdr. 9th Inf. Brig.; Comdr. Independent Garrison; Comdr. 7th Div.; entered Manchoukuo Civil Service 1938. Pres. Harbin Coll. same yr. Present Post: Audit. Manchoukuo Concordia Assn. since 1941. Address: Hsinking.

Mimura, Tomoshige (三村友茂) Major-General, Company Official. b.

Mar. 1885 Tokyo, 4th s. of Yuun Mimura. Career: grad. Military Acad. 1905; staff 4th Heavy Field Art. Regiment; chief General Affairs Sec., Ordnance Bur.; Dir. Military Artificers Sch. Present post: Mng.-Dir. Manshu Arsenal, Daito-ku, Mukden.

Minakawa, Toyoji （皆川豊治） Official; b. 1896, Yamagata-ken, Career: grad. Law Coll. Tokyo Imp. Univ. 1920; entered Justice Dept., Public Procurator Sendai Local Court, Tokyo Public Procurator's Office; Chief Secr. and Dir. Personnel & Decoration Bur. Manchoukuo State Council 1933-34; Chief Gen. Affairs Dept. Chinchow Prov.; Chief Gen. Affairs Bur. Dept. of Educ.; Dir. Educ. Bur. People's Welfare Dept.; Dir. Gen. Affairs Dept. of Central Hdqrs. of Kyowa-kai (Manchoukuo Concordia Assn.) 1938-41. Present post: Vice-Gov. Fengtien Prov. since Aug. 1941. Address: c/o Fengtien Prov. Office, Mukden.

Minami, Masaki (南 正樹) Businessman; b. 1888 Ishikawa-ken; s. of Yoshisaburo Minami. Career: grad. Law Coll. Tokyo Imp. Univ. 1915; entered Dept. of Agr. and Com.; Chief Account Sect. Agr. Affairs Bur.; Chief Domestic Animals Sect. Live-stock Bur.; Chief Fishery Sect.; Dir. Tokyo Forestry Management Bur. Present post: Pres. Manchuria Forestry Co. Address: c/o Manshu Ringyo K. K., Keiminro, Hsinking.

Minoike, Tatsuo （御影池辰雄） Official; b. Feb. 1892, Kanagawa-ken; s. Tomokuni Minoike. Career: grad. Law Coll. Tokyo Imp. Univ. 1917; entered Govt. service; Secr. & Chief Educ. Dept. Hiroshima-ken; Chief Administration Office Dairen 1929-35; Chief Police Sect. Kwantung Bureau 1935; Gov. Kwantung Prov. 1936-37; Dir.-Gen. Manchoukuo Home Office. Present post: Gov. Tungan Prov. since 1939. Address: Gov.'s Residence, Tungan, Manchoukuo.

Mishiro, Akio （三城晃雄） Foreign Service; b. Kumamoto-ken. Career: grad. Law Coll. Tokyo Imp. Univ. 1925; served Tumen Customs, Manchoukuo; Chief Trade Section Manchoukuo Foreign Office; Dir. Hsinking Customs of same till 1938. Present post: Councillor Manchoukuo Leg. in Rome 1938. Address: Manchoukuo Legation, Rome, Italy.

Mitani, Kiyoshi （三谷 清） Official; b. 1887, Tokyo. Career: grad. Military Acad. 1909; Gendarmerie captain 1920; Comdr. Mukden Detachment, Japanese Gendarmerie 1931; Commissioner Fengtien Prov. 1932; Chief Police Dept. Fengtien Prov. 1934-36; Chief Gen. Affairs Dept. Kirin Prov. 1936-37; Vice-Gov. Kirin Prov. 1936-39. Present post: Gov. Mutankiang Prov. since 1940. Address: Mutankiang Prov. Office, Mutankiang, Manchoukuo.

Mitsuda Ryuichi （滿田隆一） Official; b. 1883 Hyogo-ken. Career: grad. Agr. Chem. Course, Tokyo Imp. Univ. 1908; Engr. Agr. Experimental Station; Asst.-Prof. Kyushu Imp. Univ.; Prof. & Dean, Agr. Coll. same, 1924; entered Manchoukuo Civil Service, 1940; Engr. Agr. Exp. Station; went abroad for inspection. Present post: Chief, Kungchuling Agr. Exp. Station. Address: Nohji Shikenjo, Kungchuling, Manchoukuo.

Mitsukuri, Shinroku (箕作新六) D.Sc.; b. Sept. 1893, Tokyo; s. Prof. Kakichi Mitsukuri. Career: grad. Chemical Course, Tokyo Imp. Univ.; Prof. in Chem. at Tohoku Imp. Univ. Present post: Chief Chemical Ind. Dept. of Fushun Colliery S.M.R. Co. Address: c/o Fushun Colliery, Fushun.

Miura, Keiichi （三浦惠一） Gendarmerie-Colonel (retired) Official; b. Feb. 1881, Yamaguchi-ken, e. s. of Shigejiro Miura. Career: grad. Mil. Acad., 1906; adjutant Chosen Gendarmerie Hdqrs.; comdr. Ryuzan Detached Battalion of Keijo Gendarmeries; comdr. Nagoya Gendarmerie, dir.-gen. Gen. Ry. Bur. of S.M.R. Insp.-Gen. Gen. Ry. Guard Hdqrs. 1932-1940. Present post: Governor, Heiho Prov. since

Oct. 1940. Address: Provincial Office, Heiho, Manchoukuo.

Miura, Naohiko （三浦直彦） Official; b. Mar. 31, 1898, Wakayamaken; adopted s. Komanosuke Miura. Career: grad. French Law Course Tokyo Imp. Univ. 1922; entered govt. service; Chief Archives & Documents Sect.. and Chief Secr. Gov.'s Secretariate of Tokyo-fu; Chief Health Sect. Sanitation Bur. of Home Office; Dir. Educ. Affairs Bur. Tokushima-ken 1932; Chief Civil Administration Bd. Kwantung Govt. and Educ. Commissioner Japanese Emb. in Manchoukuo; Gov. Kwantung Prov. Present post: Dir. Kwantung Bur. since Feb. 1941. Address: Kwantung Bureau, Dairen, Manchoukuo.

Miura, Takemi （三浦武美） Diplomat; b. Aug. 1897, Aomori-ken, s. Takesaburo Miura. Career: grad. Political Course, Tokyo Imp. Univ. 1917; entered Foreign Service, 1920; attache, Emb., London, 1922; 3rd Secr. Emb., London, 1925; Chief 2nd Sect. Asia Bur., Foreign Office, Tokyo, 1928; 1st Secr. Emb. Washington, 1933; 1st Secr. Emb., Hsinking, 1936; Councillor, Embassy, Hsinking, 1939. Present post: Vice-chief, Foreign Office of Manchoukuo since Oct. 1940. Address: Gaimu-kyoku, Hsinking, Manchoukuo.

Miyake, Koji （三宅光治） Official; retired Lt.-Gen.; b. May 1881, Miye-ken. Career: grad. Mil. Staff Coll. 1910; Staff 1st Div.; Adjutant War Office; Secr. to War Minister; Chief Press Section; Chief Staff Kwantung Army; Comdr. 20th Div.; promoted to Lt.-Gen.; reserve list 1936. Present post: Chief Central Hdqrs. Concordia Assn. (Kyowakai) since Nov. 1940. Address: c/o Kyowakai, Hsinking.

Miyakoma, Kanzo （都間觀三） Official; b. 1887 Shimane-ken. Career studied at Mil. Staff Coll.; Gendamerie service in Chosen, Siberia and Manchuria; Police Affairs Chief of Mongolia Admini. Dept. 1936; Councillor Hsingan West Prov. Present post: Vice-Governor Hsingan South Prov. since June 1939. Address: c/o Hsingan South Prov. Office, Manchoukuo.

Mo Yu-feng （毛遇風） Businessman; Pres. Manchuria Live-stock Co. Address: c/o Manshu Chikusan K. K. Kotoku Kaikan, Daido-Daigai, Hsinking.

Morikawa, Sokichi （森川莊吉） Businessman; b. Sept. 1877, Tokyo. Career: served Ry. Dept. 1897-1911; Chief Warehouse Sect. Shahokow Factory of S.M.R. Co. 1911; joined Dairen Machine Works 1910; Dir. and Mgr. of same. Present post: Mng.-Dir. Manshu Kubota Chutetsukan (Cast iron pipe) K.K.; Mem. Dairen Municipal Assembly. Address: 126 Kyo-machi, Dairen.

Morinaka Kiyoshi (守中 清) M.D.; b. 1884 Fukuoka-ken. Career: grad. Med. Course, Kyoto Imp. Univ. 1910; entered S.M.R.; Prof. S. Manchuria Med. Coll. & Chief Internal Diseases Sec. Fengtien Hospital; Prof. Manchuria Medical Coll. & Chief Doctor Fengtien Hos.; Pres. Dairen Hos. Present post: Pres. Manchou Medical Coll. Address: Manchou Medical Coll., Hsinking, Manchoukuo.

Morita, Hisashi (森田 久) Journalist; b. Feb. 17, 1890, Fukuoka-ken; 3rd s. Toshiro Morita. Career: grad. Polit. Econ. Course Waseda Univ. 1915; served Fukuoka Nichi-Nichi, Tokyo and Osaka Asahi Shimbun; joined Jiji Shimpo-sha 1926; Chief Econ. Dept., Dir. and Chief Ed. of same: resigned 1934. Present post: Pres. "Kokutsu" Manshukoku Tsushin-sha (Manchoukuo News Agency) since 1938. Address: "Kokutsu," Hsinking.

Mukai, Toshio （向井俊郞） Official; b. Feb. 11, 1897, Fukuoka-ken. Career: grad. Law Coll. Tokyo Imp. Univ. 1922; entered Hypothec Bk. of Japan; served S.M.R.; Chief Record Sect. Manchoukuo State Council 1932-37; Dir. Shanhaikwan Customs. Present post: Dir. Supplies Bur. since Dec. 1940. Address:

Kanju Kyokai, Hsinking, Manchoukuo.

Mukaino, Motoo （向野元生 Official; b. 1903 Fukuoka-ken. Career: grad. Law Coll. Imp. Univ. 1925; joined S.M.R. Co.; Chief Traffic Section Mutankiang Ry. Bureau 1936; Dir. of Ry. Bureau 1938. Vice-Gov. Mutankiang Prov. Apr. 1939-June 1941, Present post: Dir. Gen.-Aff. Bur., General Development Bd. since June 1941. Address: Kaitaku Sokyoku, Hsinking.

Murakoshi, Nobuo （村越信夫） Agriculturist; b. Aug. 1896, Kanagawa-ken; s. Tozaburo Murakoshi. Career: grad. Agr. Coll. Hokkaido Imp. Univ. 1921; entered Kungchuling Experiment Station of S.M.R. Co. and studied agr. physics at its Dept. of Agronomy; sent to Eng., Amer., Germany & France for study 1929-30; made special study at Dept. of Agr. Engrg. of Wisconsin Univ. Present post: Chief, Dept. of Agricultural Economics and Dir. Agr. Experimental Station, Koshan 1934--1941. Present post: Chief, Kungchuling Agr. Exp. Stn. since 1941. Address: Koshurei Noji Shiken-sho, Koshurei, Kitsurin-sho, Manchu-koku.

Muraoka, Shotaro （村岡祥太郎） Musician; b. June 1881, Hakodate. Career: Orchestra Conductor of Yamato Hotel under management of S.M.R. Co.; went 3 times to Eur. and Amer. to study music; composed the National Song of Manchoukuo; performed music twice in the presence of Manchoukuo Emperor. Address: 2 Yamashiro-cho, Dairen.

Murase, Fumio （村瀬文雄） Lt.-Gen.; b. Sept. 18, 1877, Aichi-ken; s. Genshu Hiraiwa. Career: grad. Mil. Acad. 1898. Present post: Pres. Mukden Arsenal Ltd. since 1934. Address: 17 Hagi-machi, Mukden.

Murata, Yoshimaro （村田愨麿 Company Official; b. Oct. 1881, Tokyo; 3rd s. of Shokan Murata. Career: grad. Tokyo Imp. Univ., law, 1907; joined S.M.R. Co.; manager Changchun Local Office; sent to Europe and America for inspection; aud. Kokusai Transport Co., Manchuria Bank; dir. Dairen Stock Exchange; mem. Dairen Municipal Assembly. Mng.-Dir. Manshu Nichi Nichi Shimbun (Japanese journal), Pres. Dai Shinkyo Nippo Pub. Co., Hoten Nichi Nichi Pub. Co.; dir. Hoten Nippo Pub. Co. Present post: Pres. Kyowa Tatemono K.K. since July 1940. Address: 33 Hoshigaura Park, Dairen.

Muto, Tomio （武藤富男） Official; b. Feb. 20, 1904, Shizuoka-ken; s. Shimpei Muto; m. Chiyoko, e. d. Takeshiro Akimoto. Career: grad. Law Coll., Tokyo Imp. Univ. 1927; entered Judicial service 1927; served Yokohama Dist. Court; Judge Yokohama and Nagano Dist. Courts; Manchoukuo Govt. service since 1934; Chief 1st Sect. Criminal Bur. Manchoukuo Justice Dept. 1934; Councillor same; transferred to Gen. Affairs Bd. State Council 1935; Councillor same 1937. Present post: Dir. Information Bur. Gen. Affairs Bd. Manchoukuo. Address: Gen. Affairs Bd., Hsinking.

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Nakahara, Kojun （中原鴻洵） Official; b. 1889 in Chosen. Career: Chief, Social Affairs Section and then Ind. Section Home Affairs Dept. of Chosen Govt.; Secretary Forestry Bureau 1934; entered Manchoukuo Govt. service and served at its People's Welfare Dept. 1934; Chief Ind. Bd. Present post: Vice- Gov. Chentao Prov. since May 1940. Address: Chentao Prov. Office Manchoukuo.

Nakai, Hisaji （中井久二） Official; b. 1897 Tottori City. Career: grad. Law Dept. Meiji Univ.; apptd. Judge; entered Manchoukuo Govt. service 1936; Pres. Yenki Local Court 1938; Judge Kirin High Court; Vice-Gov. Heilunkiang Prov. 1938-41. Present post: Councillor Justice Dept. since July 1941. Address: c/o Justice Dept., Hsinking.

Nakajima, Kyuhei （中島九平） Official; b. 1886 Fukuoka-ken. Career: grad. Mil. Acad. 1908; Comdr. Survey Corps of Kwantung Army 1937; entered Manchoukuo Govt. service 1939. Present post: Dir. Land Survey Bureau since Jan. 1940. Address: c/o Public Peace Dept., Hsinking.

Nakajima Toshio （中島俊雄） b. 1898 Kanazawa. Career: grad. Law Coll. Tokyo Imp. Univ. 1922; served Comms. Dept.; Dir. Fengtien Postal Adm. Bur. of Manchoukuo. Pres. Postal Admini. Staff Training Institute; entered Manchoukuo Publicity Sty. (Koho Kyokai); Dir. same; Vice-Gov. Tunghua Prov. since 1940. Address: Tunghua-kai, Tunghua Prov. Manchoukuo.

Nakamura, Sen-ichi （中村撰一） Official; b. 1898 Kanagawa-ken. Career: grad. Agr. Coll. Tokyo Imp. Univ. 1919; joined S.M.R. Co.; served at its Kunchulien Experimental Farm; entered Manchouan Govt. service 1932; Councillor Hsingan Gen. Office; same Hsingan East Prov. 1934; Hsingan West Prov. 1937; Vice-Gov. Hsingan West Prov. 1939-40. Present post: Vice-Gov. Heiho Prov. since July 1941.. Address: c/o Heiho Prov. Office, Heiho.

Nakazawa, Shoji （中澤正治） Businessman; b. May 1893, Niigata-ken; s. Teizo Nakazawa. Career: grad. German Law Course, Tokyo Imp. Univ., 1918; joined Oriental Development Co.; Mgr. various branches in Korea and Manchuria; Dir., Kogyo Konsu and Tosho Jitsugyo Co. Present post: Sr. Mng.-Dir. Oriental Development Co. and Mng.-Dir. Nichiman Flour Mills since 1939. Address: Nichiman Flour Mills, 51 Keisatsu-gai, Harbin, Manchoukuo.

Naoki, Rintaro （直木倫太郎） D.E.; b. Dec. 1, 1876, Kobe; s. Masanosuke Naoki. Career: grad. Engrg. Coll. Tokyo Imp. Univ.; served as Engr. Tokyo Muni. Office, Spec. Constr. Dept. Fin. Dept., Home Dept., Chief Osaka Harbor Dept.; Chief Osaka City Planning Dept.; Dir.-Gen. Tokyo Reconstruction Bur. 1923; Chief, Reconstruction Bur. Home Dept. 1924; resigned 1925; Dir. & Chief Engr. Obayashi-gumi; Dir. Manchoukuo Public Works Bur.; Engr.-in-Chief Manchoukuo Communications Dept. Present uost: Provy Councillor of Manchoukuo since 1939. Address: 192 Jokoro, Hsinking.

Ne-la-ko-erh-cha-pu （諾拉嘎爾扎布） Official: b. 1888. Career: served in Home Affairs Dept. of Outer Mongolia Govt. 1913; Councillor of Mukden Govt.-Gen. Office; rendered services in est. of Manchoukuo; Chief Civil Admini. Bd. of Hsingan West Prov. 1932. Present post: Gov. Hsingan West Prov. since July 1937. Address: c/o Hsingan West Prov. since July 1937. Address: c/o Hsingan West Prov. Office Manchoukuo.

Nemoto Fujio （根本富士雄） Company Official: b. 1892 Kagoshima-ken. Career: grad. Keio Univ. Present Post: Pres. Manshu Foundry Co., Mng.-Dir. Manshu Kosho (Machinery). Address 1, Momiji-cho, Yamato-ku, Mukden.

Niimi Kanta （新美倌太） Veterinary Dd. Agr.: Lieut.-Gen.: b. 1880 Kumamoto-ken. Career: grad. Veterinary Course Tokyo Imp. Univ. 1907; Instructor Mil. Veterinary Sch. for many yrs.; Dir. Nippon Veterinary Sch.; entered Manchoukuo Civil Service; Higher Councillor Gen. Aff. Board & People's Welfare Dept. Present Post: Dir. Hsinking Live-stock Veterinary Sch. since 1941. Address: Chikusan-Jui Gakko, Hsinking.

Ninomiya, Harushige （二宮治重） Businessman; retired Lt.-Gen.; b. 1879 Okayama-ken. Career: grad. Mil. Staff Coll.; Comdr. Imp. Guards 3rd Reg.; attache Emb. London; Comdr. 12th Brig.; Vice-Chief, Gen. Staff Office; Comdr. 5th Div.; Pres. Senman Takushoku Kaisha. Present post: Pres. Manshu Takushoku Kaisha. Address: 407 Kojin-Tairo, Hsinking.

Nishida, Hirotaro （西田博太郎） Educator; D.E. (1914); b. Aug. 1877, Yamagata-ken; s. Eitaro Nishida, official; m. Hisa e.d. Kin-ichi Kinashi. Career: grad. Applied Chem. Course Tokyo Imp. Univ. 1901; went to Eng. to study textile technology and dyeing 1903; Prof. Nagoya Tech. Coll.; Engr. Japan Celluloid and Artificial Silk Co.; Chief-Engr., Mng.-Dir., and Head of Mfg. Dept. same; Lecturer Nagoya Tech. Coll.; Engr. Japan Woolen Spin. Co. Present post: Dir. and Prof. Kiriu Coll. of Technology. Address: Tenjin-cho, Kiriu City.

Nishida, Inosuke （西田猪之輔） Businessman; b. Nov. 15, 1888, Miye-ken; s. Senjiro Nishida, banker. Career: grad. Nagasaki Higher Com. Sch.; served Communications Dept. joined S.M.R. Co. 1919; served various sections as chief, during which period, Aud. Dairen S.S. Co., Kokusai Unyu K.K., Shoko Glass Co.; Mem. Dairen Municipal Assembly; toured Eur. & Amer. 1921-22; upon est. of Manchuria Teleg. & Tel. Co. became dir. 1933; sent to North China Chief of Detached Hdqrs. of same Co. on China Affair. Present post: Dir. Manchuria Teleg. & Tel. Co.; Chairman Manshu Noritsu (Efficiency) Kyokai since 1939. Address: c/o Manchuria Teleg. & Tel. Co,, Hsinking.

Nishimura, Jun-ichiro （西村淳一郎） Businessman; b. Dec. 1, 1894, Hyogo-ken; e.s. Junzo Nishimura. Career: grad. French Law Course Tokyo Imp. Univ. 1918; Chief Archives & Documents Sect. Fin Dept.; sent abroad for inspection; Chief Nat. Loan Sect. Fin. Dept. 1932; Dir. Nagoya Taxation Admin. Bur.; Vice-Min. Com. & Fin. Dept. Manchoukuo. Present post: Repr. Dir. Manchuria Ammonium Sulphate Co. since 1939. Address: Manchuria Ammonium Sulphate Co., Hsinking.

Nishiyama, Yasukiyo （西山泰清） Businessman; b. Nov. 16, 1902 in Osaka; s. of Jimbei Nishiyama. Career: grad. Osaka Foreign Language School 1925; joined Fukusho & Co.; Chief, Warehouse Sect. same; Ins. Sect. same; Harbin Br. Office same. Present post: Mgr. Hsinking Br. Fukusho & Co.; head Kirin, Ssupingkai, Tumen Br. offices same; Pres. Kirin Oil Sales Co.; Mng.-Dir. Hsinking Colliery Go.; Aud. Hsinking Automobile Co. Address: 42, Yashima-dori, Hsinking, Manchoukuo.

Noda, Kiyotake （野田清武） b. 1901 Tokyo. Career: grad. Polit. Course Tokyo Imp.; Univ. 1924. Secr. Agr. & For. Dept. Commr. Ind. Dept. of Manchoukuo; Councillor Gen. Aff. Bd.; Councillor Embassy Tokyo; Dir. Staple Products Bur. Present post: Vice-Gov. Ssuping Prov. since June 1941. Address: Ssuping City, Manchoukuo.

Numada, Soyao （沼田征雄矢） Official; b. 1901 Tokyo. Career: grad. Civil Engrg. Dept. Tokyo Imp. Univ. 1924; Asst. Prof. of Alma mater 1925; Prof. Nihon Univ. 1931; Chief Planning Sect. of Harbin Muni. Office 1933; Chief Water Works Sect. of same 1935; Engrg. Affairs Sect. 1937; Engr. Communi. Dept. 1939.—Present post: Dir. Cities Planning Bur. since 1940. Address: c/o Communi. Dept. Hsinking.

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Ogata, Jiro （尾形次郎） D. E.; Company Official; b. Sept. 1874, Fukuoka; s. Kiroku Ogata. Career: grad. Engrg. Coll. Tokyo Imp. Univ. 1898; with Mitsui firm since graduation; made inspection tour of Europe and America, 1909-10. Chairman Mitsui Mining Co.; Dir. Toyo Aluminium Co., etc. Present post: Pres. Manchuria Synthetic Fuel Co. Address: Manshu Gosei Nenryo K.K., Toku-san Chuo-kai, Hsinking.

Ogawa Itsuro （小川逸郎） Company Official; b. 1887 Mie-ken. Career: grad. Tokyo Sch. of Fgn. Languages 1909; entered S.M.R.; Sec. Chief Dairen Coal Depot; Vice-Chief Sales Dept. Present post: Mng.-Dir. Nichiman Trading Co. since 1936.. Address: 408, Nishikodo, Higashi Choyo-ro, Hsinking.

Ohira, Tokuzo （小平得三） Physician; b. 1882 Yamagata-ken; s. Teisaku Ohira; grad. Kyoto Imperial University; Fukuoka Medical Coll. 1908; Assistant Prof.; apptd. Prof. Med. Coll.; Kyushu Imp. Univ.; Dean same; studied in America. Present post: Hygenic Superintendant; People's Welfare Dept. since Nov. 1938. Address: Minseibu, Hsinking, Manchoukuo.

Ohmura, Takuichi （大村卓一） Businessman; b. Feb. 1872, Fukui-ken; s. Sonoe Ohmura. Career: grad. Hokkaido Imp. Univ. 1896; Engr. Hokkaido Colliery Co.; despatched to Eur. & Siberia to investigate railways; Govt. Engr. 1925; despathed to Siberia as Mem. Intl. Ry. Supervisory Commission and to Peking as Adv. of Chinese Govt.; Vice-Pres. S.M.R. Co. Present post: Pres. S.M.R. Co. since 1939, Econ. Adv. to Manchoukuo since Mar. 1941. Address: S.M.R. Co. Residence, Mukden, Manchoukuo.

Ohsa, Miyogo （大佐三四五） Librarian; B.S.; M.A. (Columbia Univ. New York); b. 1898, Kyoto; s. Sanjiro Ohsa, businessman; m. Kazuko, d. Sadaji Otogawa of Kyoto. Career: studied at Coll. of Eng. Literature, Doshisha Univ. 1918-21; Sch. of Library Service & Teachers Coll. Columbia Univ. 1926-28; B.S. 1927; M.A. 1928; Librarian Dairen Lib. S.M.R. Co. 1921-29; Head Librarian Fushun Lib. of same Co. 1929-36; Asst. Dir. Dairen Library 1936. Publication: Library Cataloging, its Principles and Practices 1937. Address: Dairen Library, Dairen.

Oka, Ohji （岡大路） Educator; b. Nov. 1889, Sendai; s. Arau Oka. Career: grad. Archit. Course, Tokyo Imp. Univ. 1912; entered S.M.R. Co.; despatched to Eur. and Amer. for insp. 1921-22; Chief Architect 1922-25; Prof. South Manchuria Tech. Coll. 1925-30. Present post: Dir. South Manchuria Tech. Coll. since 1930; Pres. Manchuria Archit. Assn. Address: 180 Togendai, Dairen.

Okada, Fumio （岡田文雄） Official; b. Mar. 31, 1898, Yamagata-ken; e.s. Bunji Okada. Career: studied at Keio Univ.; made inspection tour of Eur. and Amer.; entered Chinese Custons 1923; Non-Commissioned Staff, Dairen Customs 1932, Sect. Chief, same 1932-35; Dir. Chengteh Customs Jehol Prov. 1935; Dir. Antung Customs 1937-39. Present post: Sub-Director, The General Bureau of Opium Suppression. Address: 198 Dai-Ichi Daiyo-Kansha, Hsinking.

Okada, Shin （岡田信） Banker; b. March 10, 1885 in Shiga-ken; 5th s. Itujiro Okada: m. Nobu, e. d. Suzaemon Baba. Career: elected Dir. Oriental Development Co. 1925; apptd. Financial Superintendent Taiwan Govt. 1932. Pres. Hokkaido Colonization Bk., 1936. Present post: Pres. Industrial Bank of Manchou, since Jan. 1941. Address: Manshu Kogyo Ginko, Hsinking, Manchoukuo.

Okada, Takuo （岡田卓雄） Businessman; b. Sept. 1895, Nagasaki-ken; e.s. Yoshio Okada. Career: grad. Law Coll. Tokyo Imp. Univ. 1920; joined S.M.R. Co.; Staff Econ. Research Bur. same; Sub-Mgr. Tokyo Br.; Mgr. Tokyo Br. of S.M.R. Co. Jan. 1938. Present post : Dir. S.M.R. Address: c/o S.M.R. Co., Dairen.

Okamoto, Tadao （岡本忠雄） Official; . Sept. 1899, Hiroshima-ken; e.s. of Shozaburo Okamoto. Career: grad. Tokyo Imp. Univ. Eng. law, 1924; entered Communications Dept.; served Osaka Postal Savings Office, Sapporo and Kumamoto Comms. Bur.; chief Business Affairs sect. Postal Affairs Bur. of Manchoukuo Communications Dept. 1936; vice-dir. General Postal Adm. Bur. 1937; Councillor General Affairs Bd., Apr. 1939. Present post: vice-govr. Peian Prov. since June 1939. Address: Prov. Office, Peian.

Okumura, Shinji (奥村愼次) Businessman; b. May 25, 1894, Kanagawa-ken; 3rd s. of Toshichi Okumura. Career: grad. Law Coll. Tokyo Imp. Univ. 1920; entered Research Dept. S.M.R.; Chief, Kirin & Peking offices, Research Sect. Tokyo Branch, Enterprising Sect. Present post: Dir. Manchuria Ind. Develop. Corp. Address: c/o Manchuria Ind. Development Corp., Hsinking.

Okumura, Yoshinobu (奥村義信) Pres. Manchurian Affairs Enquiry Office. Address: c/o Manshu Jijyo Annaisho, 6 Chuo-dori, Hsinking.

Ono, Toshio (小野敏夫) Journalist: Career: grad. Keio Univ., 1921; London Correspondent of Jiji Shimpo, 1929-32; Chief Political section of same; Head, Hsinking Bureau of Rengo News Agency, 1933; Editor in-Chief Manchoukuo News Agency until 1938. Present post: Pres. Manchuria Daily News, since 1938. Address: Manchuria Daily News, Yashima-cho, Hsinking, Manchoukuo.

Osawa Kikutaro (大澤菊太郎) Company Official; b. 1885 Gumma-ken. Career: grad. Polit. Course Tokyo Imp. Univ. 1911; entered Bk. of Japan 1916; Chief Branch Okayama; Chief Examination Dept. Head Office; Dir. same; Present post: Vice-Pres. Central Bk. of Manchou since May 1940. Address: c/o Central Bk. of Manchou, Hsinking, Manchoukuo.

Oseko, Yukio (大迫幸男) Official; b. Feb. 14, 1901, Kagoshima-ken. Career: grad. Law Coll. Tokyo Imp. Univ.; joined S.M.R. Co. 1925; apptd. Commissioner Gen. Affairs Board Manchoukuo State Council 1932; Councillor Manchoukuo Leg. Tokyo; Chief Gen. Affairs Sect. State Highways Bur. 1933-36; Councillor Hsingan North Prov. 1936-37; Deputy Mayor of Harbin; Dir. Live-stock Bureau, Dept. of Agr. Present post: Vice-Mayor of Hsinking & Dir. Capital Construction Bur. since Feb. 1941. Address: c/o Muni. Office, Hsinking.

Oseroff, M. Merchant; b. in Russia; s. of A. Oseroff, merchant. Present post: Mgr. The Anglo-Chinese Eastern Trading Co. Ltd. Address: 3 Higashi-Koen-cho, Dairen.

Ostrovsky, Emmanuel A. Fur dealer, b. 1912, Irkutsk, Siberia; s. Abraham S. Ostrovsky, manufacturer; m. Nina V. Zoltnikoff. Career: grad. High Commercial Sch. Harbin, 1927; entered B. Zondlovitch & Sons 1928; apptd. Mgr. Dairen Branch same 1934. Present post: Mgr. Mukden Branch of B. Zondlovitch & Sons since 1936. Address: 11 Wu Wei Loo, flat 3, Mukden, Manchoukuo.

Otsu, Toshio (大津敏男) Official; b. 1893, Fukuoka-ken. Career: grad. German Law Course Tokyo Imp. Univ. 1918: Commr. Home Dept.; Chief Police Affairs Dept. Fukuoka-ken 1931; Metro. Police Bd. 1932; Chief Home Dept. Nagasaki-ken 1932-34; Chief Econ. Dept. Kanagawa-ken 1935; Dir. Gen. Affairs Dept. 1936-37; Dir. Gen. Manchoukuo Home Office 1937-38; Gov. Kwantung Prov. 1938. Present post: Dir.-Gen. Kwantung Bur. since Mar. 1938. Address: Kwantung Bureau, Hsinking.

Oyaizu, Shozo (小柳津正藏) Businessman; Lt.-Gen. (retired); b. May 24, 1881, Chiba-ken. Career: grad. Mil. Acad. 1901, Experimental Physics Course Tokyo Imp. Univ. 1911; Mem. War Supply Ctte. of the Allies at London during World War; attache of Mil. Tech. Dept. in U.S.A.; Dir. Tokyo and later Osaka Arsenals; resigned acting service and joined Showa Steel Works 1933. Present post: Dir. Showa Steel Works, Chief Motive Power Dept. and its Lab. Address: 4 Naka-Dai-machi, Anshan, Manchoukuo.

P

Pansing, Paul. Hon. Vice-Consul for Finland at Dairen; Merchant; b. Dec. 1888, Germany. Address: 212 Yamagata-dori, Dairen.

Pao Kang (葆康) Banker; b. Sept. 1882, Fengtien Prov.; s. Pao Fujun. Career: grad. Mukden Acad. 1914; served Mukden Mil. Gov.'s Office; Chief Mil. Affairs Sect.; Chief Mukden Mil. Provisions Dept.; Spec. Ctte. Chinese Eastern Ry.; High Adv. Tung Sheng Spec. Dist. 1929; Vice-Min. of Civil Affairs 1932-34; Gov. Fengtien Prov. 1934-38. Present post: Vice-Pres. Ind. Bk. of Manchou since July 1938. Address: Ind. Bank of Manchou, Hsinking.

Pao Ming-chien (鮑明鈴) Educator; Ph.D.; b. 1894 Chekiang Prov., China. Career: grad. Chinghua Univ. of Peking; further studied at Yale, Columbia and John Hopkins Univ., U.S.A.; entered educ. works in China; Dean Eng. Faculty at Peking Higher Normal Sch.; Reporter Peking Nippo (English edition) Pub. Co.; del. Pacific Sc. Conf., Honolulu 1927; Prof. Peking State Univ. and Lecturer Peking Girls' Normal Sch.; came to Japan as Secr. to Chen You-jen 1931. Publications: International Relations of China, The Open-door Policy (English), etc. Present post: Noted Scholar on Oriental Polit.; Prof. Kienkuo Univ. of Manchoukuo since 1938. Address: Kienkuo Univ., Hsinking.

Pa-te-ma-la-pu-tan (特巴瑪拉佈坦) Gen. b. 1901 Cha-la-te Banner, Mongolia. Career: chairman of various banners of Hsingan South Prov. appointed major-general upon foundation of State and comdr. S. Hsingan Garrison; Lieut.-Gen. 1934; Comdr. 9th Army Hdqrs. since December 1938. Present post: Pres. Hsingan Bur. since March, 1941. Address: Ko-an Kyoku, Hsinking, Manchoukuo.

R

Reuner, Charles. Diplomat. n. French. Career: Vice-consul, Hongkong. Present post: French Consul at Mukden. Address: French Consulate, Mukden, Manchoukuo.

S

Saeki, Chosei (佐伯長生) Businessman; b. May 15, 1894. Career: grad. Law Coll. Tokyo Imp. Univ. 1918; joined Sumitomo Concern 1918; sent to Eur. & Amer. for inspection. Present post: Sr. Mng.-Dir. Manchuria Elec. Wire & Cable Works, Ltd. since 1937. Address: c/o Yamato Hotel, Mukden, Manchoukuo.

Saiki, Sanetoshi (佐伯仁壽) Physician; M.D.; b. April 1900 at Matsuyama; younger brother of Tadasu Saiki, Dir. Japanese Govt. Institute for Nutrition, Tokyo; m. Shigeko, d. Takinosuke Amano. Career: grad. Med. Coll. Kyoto Imp. Univ. 1924; Dir. Kyoto Imp. Univ. Hospital; studied medicine under Prof. Thanhauser and Prof. Stepp at Freiburg and Munich. Present post: Chief, Sanatorium, S.M.R. Co., Mukden. Address: 40 Kokusai Bldg., Maro-wan, Mukden.

Sakai, Ishiro (酒井伊四郎) Businessman; b. 1882 Fukui-ken; s. of late Ishiro Sakai. Career: succeeded family estate 1919. Present post: Pres. Nichiman Fibre Ind. Co., Manshu Tokan Pulp K.K. Address: c/o Manshu Tokan Pulp K.K., Kaigen, Fengtien Prov., Manchoukuo.

Sakai, Seibei (酒井淸兵衞) Businessman; b. 1885, Gifu-ken. Career: grad. Chinese Language Dept., Tokyo Sch. of Foreign Lang. 1908; entered S.M.R.; Chief Secretary, Ry. Dept.; Councillor, same; Vice-Dir. Tsitsihar Direction of Manchoukuo State Ry. Present post: Pres. Kokusai Unyu K.K.; Dir. Dairen S.S. Co. since Jan. 1936. Address: 42 Sakura-cho, Dairen.

Sakai, Teruma (酒井輝馬) Company Official: b. 1895 Nagasaki-ken. Career: grad. Law Coll. Tokyo Imp. Univ. 1920; served Bk. of Chosen; entered Central Bk. of Manchou; Mgr. Head Office; Chief Research Sec.; Dir. Bk. of Mongolia 1938. Present post: Dir. Nosan Kosha Manchoukuo since July

1941. Address: c/o Nosan Kosha Hsinking.

Sakakiya, Senjiro (榊谷仙次郎) Civil Engr. & Bldg. Contractor; b. 1882, Hiroshima-ken. Career: grad. Tokyo Koshu Gakko; founded Sakakiya-gumi 1921; recognized contractor of S.M.R. Co., Kwantung Govt., Chosen Govt.-Cen., and other various Govt. depts. and companies in Manchuria; when Sakakiya-gumi was reorganized K.K. 1938, became pres. Address: 41 Chuo-dori, Hsinking.

Sakuda, Soichi (作田莊一) Educator; b. Dec. 1878 Yamaguchi-ken; s. of Yagoro Fujimoto; later adopted by Sakuda family. Career: grad. Law Coll. Tokyo Imp. Univ. 1905; served Communi. Dept.; Instructor Upei Law Sch. China; Prof. Yamaguchi Com. Coll.; Prof. Kyoto Imp. Univ. until 1938. Present post: Vice-Pres. Kienkuo Univ. of Manchoukuo since May 1938. Address: c/o Kienkuo Univ. Hsinking.

Samejima, Mitsuhiko (鮫島光彥) Official; b. 1893 Kagoshmia-ken. Career: grad. Law Coll. Tokyo Imp. Univ. 1918; joined Tokyo Elec. Light Co.; Chief Account Dept. Mukden Muni. Office 1935; Acct. Chief Fin. Affairs Bur. of same 1937; Mayor of Penhsihu 1939-41. Present post: Chief Nat. Central Library Preparatory Office since Mar. 1941. Address: c/o Kokuritsu Chuo-Toshokan Chubi-sho, Hsinking.

Sasaki, Ken-ichiro (佐々木謙一郎) Businessman; b. Dec. 1882, Tokyo; s. Yunosuke Sasaki, banker. Career: grad. Law Coll. Tokyo Imp. Univ. 1907; entered Fin. Dept.; Chief Supervisor Kobe and Yokohama customs; Secr. and Councillor Fin. Dept.; Chief Finance, Undertakings & Sale Dept. Monopoly Bur.; Dir. Monopoly Bur. 1932; with S.M.R. Co. since 1934. Present post: Vice-Pres. S.M.R. Co. since 1938. Address: S.M.R. Co., Dairen.

Sato, Ojiro (佐藤應次郎) Co. Official; b. 1881, Yamagata-ken. Career: grad. Civil Engrg. Course Tokyo Imp. Univ. 1907; with S.M.R. Co. since graduation; Dir. same. Present post: Vice-Pres. S.M.R. Co. since 1939. Address: S.M.R. Co., Dairen.

Schill, August. Businessman; b. Sept. 21, 1899. Present post: Manager Kunst & Albers Harbin. Address: 23 Commercial Street, Harbin.

Schram, Eugen. Engineer; b. Dec. 21, 1891 Oviz Hungary; s. of Joseph, school teacher. Career: with Jardine Engrg. Corp. Ltd. 1923-33; Mgr. at its Harbin branch 1930-33; with the present firm since 1939. Present post: Engrg. Mgr. Siemssen & Co. Mukden. Address: c/o Siemssen & Co. 98 Da Hsi Bien Men Wai, Mukden.

Schulze, Jaochim. Foreign Service; b. Aug. 3, 1880, Muenden Hannover, Germany; s. Carl Schulze, burgomaster. Career: Student-Interpreter of German Leg., Peking 1905; Cons. at Changsha 1921; served Foreign Office, Berlin 1925-29; Consul at Sourabaya 1929; Consul at Manila 1932-35; same, Harbin 1935. Present post: German Consul-General at Harbin. Address: c/o German Consulate-General, Harbin, Manchoukuo.

Sera, Shoichi (世良正一) Businessman; b. May 5, 1887, Hiroshima-ken; s. Jumpei Sera. Career: grad. Agr. Coll. Tokyo Imp. Univ. 1914; joined Sankyo Co.; entered S.M.R. Co.; Dir. Central Experimental Station same. Present post: Dir. Manchuria Ind. Development Corp., Showa Steel Works, Manchuria Automobile Mfg. Co.; Supt. Planning Dept. S.M.R. Co. Mng.-Dir. since 1941. Address: Manchuria Ind. Develop. Corp., Hsinking.

Shan Yen-ying (商衍瀛) Official; b. 1898, Fengtien Prov. Career: Chief Bd. of Aud., Chief Executives' Office, Manchoukuo 1932-34; Dir. Home Affairs Bur. Manchoukuo Imp. Household Dept. 1935-38. Present post: Vice-Dir.-Gen. Manchoukuo Red Cross Soc. Address: c/o Manchoukuo Red Cross Soc., Hsinking.

Shen Soue-lin (沈 瑞麟) Privy Councillor; b. 1874, Chekiang Prov. Career: Foreign Vice-Min. 1922; Foreign Min. & Chairman Customs Conf. 1925; Civil Affairs Min. 1927; Foreign Adv. of Fengtien Prov. Govt. after Chang Tso-lin's death; Dir. Chinese Eastern Ry. 1930; Acting Chief North Manchuria Ry. 1932-34; Imp. Household Min. 1934-35. Present post: Manchoukuo Privy Councillor; Vice-Pres. Bd of Rituals since July Hsinking.

Shibuya, Saburo (澁谷三郎) Official; Colonel (retired); b. Jan. 17, 1888, Miyazaki-ken. Career: grad. Mil. Acad. 1908; Mil. Staff Coll. 1917; Staff 14th and later 11th Divisions; studied German at Tokyo Sch. of Foreign Lang.; Chief Heiho Spec. Service Facility 1934; Comdr. Inf. 3rd Reg. 1935; resigned active service 1936; entered Manchoukuo govt. service; Dir. Police Affairs Dept. Pinkiang Prov. 1936; Dir. Police Affairs Bur. Public Peace Dept. 1937; Gov. Mutankiang Prov. Manchoukuo 1938-39. Present post: Vice-Minister of Public Peace Dept. Address: c/o Public Peace Dept. Hsinking.

Shiina, Yoshio (椎名義雄) Businessman; b. Jan. 12, 1894, Gunma-ken. Career: grad. Tokyo Higher Tech. Sch. 1915; Chief Tech. Affairs Dept. of Oi Works of Tokyo Keori K.K. 1924; Engr. Godo Keori K.K. 1927-30; same Shinko Keori K.K.; Mng.-Dir. Manmo Keori Dept. Store 1932. Prest post: Mng-Dir. Manmo Keori K.K.; Pres. Toyo Felt Co.; Chairman Manmo Keori Dept. Store; Aud. Takasaki Keori K.K., Toyo Weaving Co., etc. Address: Manmo Keori K.K., Mukden.

Shimada, Rikichi (島田利吉) Businessman; b. Jan. 1884, Miyagi-ken; 2nd s. Kozaburo. Career: grad. Mining & Metall. Course Tokyo Imp. Univ. 1907; joined Kuhara Mining Co.; served Hidachi, Ohse, Kapsan, Dungun (Malay) and Kinkaseki mines; appointed Jr. Mng.-Dir. upon est. of Nippon Mining Co. Present post: Chief of Minerals Dept. of Mangyo since Mar. 1941. Pres. Manshu Kozan (Mining) K.K. since Feb. 1938. Manshu Enko (Lead) K.K.; Dir. Manchuria Ind. Development Corp. Address: 402 Keiminro, Hsinking.

Shimada, Shigeru (島田 茂) Businessman; b. Sept. 1885 Okayama-ken; s. of Hidekazu Shimada. Career: grad. Econ. Dept. Tokyo Imp. Univ. 1912; entered Finance Office; Supt. Tottori Tax Office; Custom Tariff Dept. Chief, Takatori Supt. offices, Nagoya & Tokyo; Dir. and then Pres. Bank of Taiwan. Present post: Pres. Manchuria Livelihood Requisites Co. Address: c/o Manshu Seikatsu Hitsujuhin K.K., 1932 Daidodaigai, Hsinking.

Shimomura, Nobusada (下村信貞) Diplomat; b. 1899 Fukuoka-ken. Career: grad. Political course, Tokyo Imp. Univ. 1923. Career: Instructor, South Manchuria Engrg. Sch.; Secr. Foreign Office, 1932; Chief, Planning Section, General Affairs Dept., Russian Section Chief; despatched to Europe, 1935. Present post: Chief, Political Affairs Section, Foreign Office since April, 1940. Address: Foreign Office, Hsinking, Manchoukuo.

Shirahama, Haruzumi (白濱晴澄) Official; b. 1897 Kagoshima-ken. Career: grad. Mil. Academy and Russo-Japan Society Sch. 1917; entered S.M.R.; Chief Documents Sec.; entered Manchoukuo Civil Service; Councillor Mongolia Administration Dept.; Councillor Hsingan S. Prov.; Councillor Hsingan Bur.; Vice-Chief-Dir. Kinyu Gassaku-sha. Present post: Vice-Chief-Dir., Kono Gassaku-sha since 1941. Address: Kono Gassaku-sha, Hsinking, Manchoukuo.

Shou Ming-a (壽明阿) Official; b. 1885, Mongolia. Career: Adviser to Peace Preservation Office, Three Eastern Provs. 1924; Dir. Educ.

Dept. Mongolia Frontier Supt. Office; Dir. Civil Affairs Bureau Mongolia Admin. Dept. Present post: Gov. Hsingang South Prov., Pres. Hsingan Acad. Address: c/o Hsingan South Prov. Office, Manchoukuo.

Shou Yu-peng （壽聿彭） Official; b. 1885, Shenyang-hsien, Fengtien Prov. Career: grad. Mukden Law Coll., 1912; chief Gen. Affairs sect. Three Eastern Prov. Arsenal, 1922; chief Materials Bur. of same, 1925; dir. Fengtien Mint, 1926; chief sect. Hsian Colliery Co. 1928; councillor Fengtien Prov. Office, 1932; dir. Cadastre Bur. of Manchoukuo Civil Affairs Dept. 1932; Dir.-Gen. Board of Decorations, 1937. Present post: Govr., Peian Province since Nov. 1939. Address: Prov. Office, Peian.

Sieh Yung-kuei （薛永魁） Official, b. 1903 Fukien Prov. Career: Com. Secr. Manchoukuo Embassy Tokyo; Dir. Ssupingkai Monopoly Bur. 1938; Chief Development Dept. Pingkiang Prov. 1940. Present post: Dir. Rev. Bu. Dept. of Finance and Com. since 1941. Address: Keizai-bu, Hsinking.

Sonoyama, Mitsuzo （園山光藏） Official; b. 1884 in Kumamoto-ken. Career: Judge Court-martial of 6th Div. 1918; Comdr. Imp. Guards Inf. 3rd Reg. 1935; retired from active service 1936; Councillor Manchoukuo Govt. Polit. Affairs Bur. Present post: Vice-Gov. Hsingan East Prov. since Sept. 1939. Address: c/o Hsingan East Prov. Office, Manchoukuo.

Sudo, Sadamu （首藤 定） Businessman; b. 1890. Oita-ken; s. of Masuji Sudo. Career: studied at Ryojun Foreign Lang. Sch.; entered Kwantung Govt. service 1911; entered buisness 1917. Present post: Pres. Dairen Chamber of Com. and Ind.; Pres. Yamato Dyestuff Co. Address: 81 Sakura-cho, Dairen.

Suga, Taro （菅太郎） Official; b. 1904 Aichi-ken. Career: grad. Polit. Course, Tokyo Imp. Univ. 1914; Served at Home Office (Japan); entered Manchoukuo Civil Service; Sec. Chief, Police Aff. Bur. Dept. of Public Peace; Instructor, Tatung Academy; Councillor, Gen. Aff. Bd. Present post: Chief, Local Aff. Bur. since 1939. Address: Chiho-sho, General Affairs Board, Hsinking, Manchoukuo.

Sugawara, Tatsuro （菅原達郎） Official; b. 1901 Miyagi-ken. Career: grad. Law Coll. Tokyo Imp. Univ. 1925; Judge, Tokyo Local Court 1927; served Manchoukuo Justice Dept. since 1934; Dir. Civil Affairs Bur. Dept. of Justice Manchoukuo 1938-41. Present post: Chief Gen. Aff. & Planning Dept. Central Hdqrs. of Kyowakai since Jan. 1941. Address: c/o Kyowakai Hom bu, Hsinking.

Sun Chi-chang （孫其昌） Official; b. 1881, Liaoyang-hsien, Fengtien. Career: grad. Higher Normal Sch. Tokyo; Chief Educ. Dept. Heilungkiang; Chief, Finance Dept. Kirin Prov.; Chief, Chang-tao, Heilungkiang; Mem. Govt. Committee & Chief, Construction Dept. Kirin 1929; resigned 1931; Chief, Finance Dept. Kirin Govt.; Pres. Kirin Prov. Bank; Vice-Min. of Finance 1933; Gov. Heilungkiang Prov. 1933-34; Lungkiang Prov. 1934-35; Finance Min. 1935-37; Civil Affairs Min. May-July 1937; People's Welfare Min.; Vice-Chairman and Dir. Planning Dept. of Central Hdqrs. of Manchoukuo Concordia Assn. 1938. Present post: Privy Councillor of Manchoukuo since May 1940. Address: c/o Privy Council, Hsinking.

Suzuki, Umetaro （鈴木梅太郎） D.Agr.; b. Apr. 7, 1874, Shizuoka-ken; s. Shozo Suzuki, landowner. Career: grad. Agrl. Coll. Tokyo Imp. Univ. 1896; apptd. Asst. Prof. same 1900; sent to Eur. by Educ. Dept. to study Physiol. Chem. 1901-06; Prof. Morioka Agrl. Coll. 1906; awarded with Imp. Acad. Prize for his discovery of Oryzanin (Vitamin-B) 1921; succeeded in preparing synthetic Sake (wine) 1925; Dean Agrl. Coll. Tokyo Imp. Univ. 1927. Tech. Adv. to Sankyo Co. Present post: Pres. Inst. of Scientific Research Manchoukuo. Address: Sc. Research Inst., Hsinking.

T

Tada, Hikaru （多田 晃） Official; b. 1894 Okayama-ken. Career: grad. Law Coll. Tokyo Imp. Univ. 1920; joined S.M.R. Co.; went to Europe & Amer. for investigation for 2 years; Chief Antung Local Office of same 1931; Mayor of Antung 1937. Present post: Vice-Gov. Lunkiang Prov. since June 1939. Address: c/o Lunkiang Prov. Office, Manchoukuo.

Tadokoro Koun （田所耕耘） B. 1887 Wakayama-ken. Career: grad. Tokyo Higher Co. Sch. 1910; entered S.M.R.; Vice-Chairman Econ. Research Council; Adit. Showa Steel works; Councillor S.M.R. Present post: Pres. Manchou Fatsing (Law) Univ. since 1940. Address: Hsinking, Manchoukuo.

Takagi, Iwao （高木磐雄） Businessman; b. Feb. 11, 1889, Fukushima-ken; s. Seinosuke Takagi, public procurator. Career: grad. Tokyo Higher Com. Sch. 1912; entered S.M.R. Co.; with present firm since 1920. Present post: Dir. Dairen Steamship Co. Address: 256 Togendai, Dairen.

Takagi Tetsuji （高木銕二） Banker; b. 1885 Kanagawa-ken. Career: grad. Tokyo Higher Com. Sch. 1911; Mgr. Branch Taiwan Bk. at Hankou, Yokohama, Kobe & Hongkong; entered Central Bk. of Manchou 1932; Gen. Mgr. Fengtien Branch; Chief Inspection Dept. Head Office Hsinking; Dir. same 1935. Present post: Mng.-Dir. Central Hdqs. Shoko Kinyu Gassaku-sha. Address: Hsinking.

Takahashi Itoki （高橋猪兎喜） Lawyer; Company Official; b. 1887 Kochi-ken. Career: grad. Meiji Univ. 1920; practised law at Dairen; Chief Manshu Koshinjo; Dir. Dairen Horse Race Club; Mem. Muni. Coucnil; entered Dairen Suburb Estate Co. 1935. Present post: Pres. Dairen Suburb Estate Co. Address: 93 Shizuura-machi, Dairen.

Takahashi, Kohjun （高橋康順） b. Feb. 1891, Akita-ken; s. Hyozo Takahashi. Career: grad. Law Coll. Tokyo Imp. Univ. 1914; Commr. Agr. & Com. Dept.; despatched to Europe & Amer. 1918-19; to Manchuria, China & Siberia 1923; Dir. Tokyo Mining Inspection Bureau; Chief Judge Patent Bureau; Vice-Min. of Manchoukuo Ind. Dept. Present post: Chairman Manchuria Invention Coc., Chief Dir. Manchuria Life Ins. Co., Manshu Yuka Kogyo K.K. Address: 807 Hokuan Kodo, Hsinking.

Takaku Takukichi （高久田久吉） Official; b. 1896 Fukushima-ken. Career: grad. Sugagawa Com. Sch. 1911; passed examination for Taxation Officials 1926; Commr. Revenue Insp. Bur.; entered Manchoukuo Civil Service; Commr. Gen. Bur. of Monopoly. Present post: Vice-Chief, Monopoly Bur. Yingkow, since July, 1941. Address: Monopoly Bureau, Yingkow, Manchoukuo.

Takasaki, Tatsunosuke （高碕達之助） Businessman; b. Feb. 1885, Osaka-fu, s. Matsunosuke Takasaki. Career: grad. Fisheries Institute 1906; joined Oriental Aquatic Products Co.; went to America and joined Intl. Fishery Co. 1911; founded present firm 1917; Mem. Econ. Mission to Italy 1940; Mng.-Dir. Oriental Can Mfg. Co. Present post: Vice-Pres. Manchuria Industrial Development Corp.; Chmn. Manchou Aviation Co. Address: Mangyo, Hsinking, Manchoukuo.

Takebe, Rokuzo （武部六藏） Official; b. Jan. 1, 1893, Ishikawa-ken; s. Naomatsu Takebe. Career: grad. Law Coll. Tokyo Imp. Univ. 1918; Commr. Home Dept.; Secr. Reconstruction Bureau; Chief, Documents Sect. same; Secr. to Home Minister; Chief, Accounts Sect. Home Dept.; Gov. Akita-ken 1932-35; Chief Political Affairs Dept.

1935-36; Dir.-Gen. Kwantung Govt. 1936-38; Vice-Pres. Cabinet Planning Bd. Secr.-General General Affairs Bd., State Council of Manchoukuo since 1940. Address: c/o Kokumuin, Hsinking.

Takehara, Den (武原 傳) Businessman; Pres. Dowa Motorcar Ind. Co. Address: c°o Dowa Jidosha Kogyo K.K. Sandan, Keikogai(Shinyoku, Mukden, Manchoukuo.

Takemiya, Yuhiko (武宮雄彥) Official, b. Nov. 1884, Kagoshima-ken; 2nd s. Toshio Takemiya; m. Sachiko, y. sis. Baron Suminaga Arima. Career: grad. Polit. Course Kyoto Imp. Univ. 1914; entered Imp. Household Dept.; Chief Purchasing Sect. Imp. Treasury Bur. of same 1931. Present post: Chief Secr. Office of Privy Seal, Manchoukuo. Address: Office of Privy Seal, Hsinking.

Takemura Kiyoshi (武村 淸) Educator; b. Tokushima-ken. Career: grad. Tokyo Imp. Univ. (Engrg.) 1902; Entered S.M.R.; non-commissioned Staff, same; Dean Engrg. & Mining Coll., National Univ. Hsinking, 1939. Present post: Dean, Hsinking Engineering College, since 1940. Address: Kogyo Daigaku, Hsinking.

Takeuchi Setsuo (竹內節雄) b. 1904 Aichi-ken. Career: grad. German Law Course Kyoto Imp. Univ. 1928, served S.M.R.; entered Manchoukuo Civil Service after Manchurian Incident; Chief Accounts & Personnel Sec. Gen. Aff. Bd.; Councillor Changchun-hsien; Commr. Chinchow Prov.; Councillor Changchun-hsien; Commr. Chinchow Prov.; Councillor Gen. Aff. Bd.; Chief Police Dept. Heiho Prov. 1939. Present post: Chief Metropolitan Police since 1941. Address: Metropolitan Police Board, Hsinking, Manchoukuo.

Takeuchi, Tetsuo (武內哲夫) Official b. Sept. 1892 Fukuoka-ken; 3rd s. of Tsunegoro Akita. Career: grad. Tokyo Imp. Univ. politics, 1922; entered Home Office; police supt. Metro. Police Board, 1928; chief Agr. & Com. section Nagano-ken 1932; chief Police Affairs sect. Metro. Police Bd., 1932; non official staff Special Police Corps of Manchoukuo, 1935; chief General Affairs sect. Local Affairs Bur. of Civil Affairs Dept. 1936; Present post: vice-govr. Chinchow Prov. since June, 1939. Address: Prov. Office Chinchow.

Takeuchi, Tokui (竹內德亥) Businessman; b. 1888; Aomori-ken; s. Suekichiro Takeuchi. Career: grad. Law Coll. Tokyo Imp. Univ. 1913; Chief, Civil Adm. Office Dairen; Dir. Gen. Affairs Bureau, Civil Dept. 1932-35; Chief, Gen. Affairs Dept. Fengtien Prov. Present post: Chief Dir. Manchuria Mining Development Co. Address: c/o Manshu Kogyo Kaihatsu Kaisha, Hsinking.

Takeuchi, Tokusaburo (竹內德三郎) Company Official; b. 1889 Tokyo. Career: grad. Tokyo Higher Com. Sch.; Chief Mukden Sales Office S.M.R.; Audit. Three Eastern Prov. Bk.; Dir. Manchuria Colliery Co.; Dir. Manchuria Oil Liquefaction Co.; Mng.-Dir. Haolikeng Colliery Co. Present post: Pres. Manshu Kyodo Cement Co., Mng.-Dir. Japan-Manchoukuo Trading Co., Dir. Manchuria Colliery Co. Address: 26 Akebono-cho 2-chome, Hsinking.

Takoi, Motoyoshi (蛸井元義) Official; b. 1896 Yamagata-ken. Career. grad. Toa Dobun-shoin (Tungwen Coll.) 1921; joined S.M.R. Co.; entered Manchoukuoan Govt. service 1933; then joined Kyowakai's service. Present post: Vice-Dir. Planning Bureau Kyowakai since Feb. 1940. Address: c/o Kyowakai Hdqrs., Hsinking.

Tamura, Sentei (田村仙定) b. 1897 Tokyo. Career: grad. Law Coll. Tokyo Imp. Univ. 1928; entered S.M.R.; transferred to Manchoukuo Civil Service; Councillor Legislative Bur. & Gen. Aff. Board; Comdr. and Instructor Tatung Academy; Vice-Chief Metropolitan Police 1939. Present post: Dir. Labor Affairs Bureau. Address: People's Welfare Dept. Hsinking, Manchoukuo.

Tanabe, Hideo (田邊秀雄) Official; b. 1897 Okayama-ken. Career: grad. Law Coll. Kyoto Imp. Univ. 1923; entered Home Office and served at Kumamoto-ken; Chief Police Dept. of Kwantung Prov. 1934; Chief Police Affairs Section Chinshen Ry. Bur. 1937; same Kirin Ry. Bur. Present post: Vice-Gov. of Jehol Prov. since Apr. 1940. Address: c/o Jehol Prov. Office, Jehol.

Tanabe, Toshio (田邊利男) Company Official; b. 1887 Hyogo-ken. Career: grad Engrg. Course Tokyo Imp. Univ. 1911; entered S.M.R.; Councillor Changchun Ry. Office; Acting Chief same; Ry. Engr. Kirin-Tunhua Ry.; Dir. Ry. Const. Bur.; Councillor Head Office. Present Post: Pres. Dairen Traffic Co. since Dec. 1940. Address: c°o Dairen Kotsu Kaisha, Dairen.

Tanaka, Akira (田中信良) Official; b. July 1885, Shiga-ken; s. Prof. Nobushige Tanaka; m. Shizuko Arai. Career: grad. Law Coll. Tokyo Imp. Univ. 1911; entered Ry. Dept.: Secr. same; Chief Personnel Sect.; Dir. Nagoya Region 1925-35; Chief Supervisory Dept. Kwantung Bur. Present post: Pres. Kwanto-syu Reclamation Co. Address: 17 Hoshigaura Koyen, Dairen.

Tanaka, Chihei (田中知平) Businessman; b. Dec. 1890, Yamaguchi-ken. Career: founded present firm 1924; Aud. Dairen Engrg. Works, Daido-Gumi and Kotoku Iron Co.; Dir. Chi Tung Tobacco Co., Keystone Tobacco Co., A. Lopato & Sons; Manchuria Leaf Tobacco Co. Ltd.; travelled Eur. & Amer. 1918 & 1922. Present post: Pres. Taito Co., Ltd.; Pres. Taito Engrg. Works, Ltd. Address: 35 Komatsudai, Hoshigaura, Dairen.

Tanaka Magohei (田中孫平) Official. Career: Commr. Civil Admin.; Chief Gen. Aff. Sec. Development Bur.; Commr. Ind. Dept.; Councillor Gen. Aff. Bd.; Chief Development Dept. Tungan Prov. 1939. Present Post: Vice-Gov. Tungan Prov. Address Tungan Provincial Office, Tungan Province.

Tanaka Minoru (田中 稔) Mayor: b. 1902 Kyoto. Career: grad. Polit. Course Tokyo Imp. Univ. 1927; entered Kwantung Gov. Civil Service; Sec. Chief Dairen Civil Admin. Office; Chief Pitsuwo Civil Admin. Office; Chief Ind. Sec. Home Dept. Kwantung Gov.; Vice-Mayor of Dairen 1939. Present Post: Mayor of Dairen since Dec. 1940. Address: Dairen Muni. Office.

Tanaka, Shizuka (田中 恭) Businessman; b. 1899, Wakayama-ken. Career: served Finance Dept.; went to Eur. & Amer.; Chief Kawasaki Taxation Office; Ryogoku Taxation Office; Dir. Finance Bur. Fin. & Com. Dept. of Manchoukuo. Present post: Dir. Manchuria Ind. Develop. Corp., Manchuria Mining Ind. Co. Address: Manchuria Ind. Development Corp., Hsinking.

Tanigawa, Zenjiro (谷川善次郎) Businessman; b. Jan. 29, 1886, Hyogo-ken; 3rd s. Yasujiro; m. Aiko, 2nd d. Setsuzo Oki. Career: grad. Kobe Higher Com. Sch., 1910; joined S.M.R.; Sr. Mng.-Dir. Fushun Coal Sales Co. 1926; Chief Trade Affairs Dept. S.M.R. 1930; Chief Shanghai Bus. Office 1933; Chief Supervisor attached to Pres. Present post: Pres. South Manchuria Gas Co. & Manchuria Gas Co. since Dec. 1937. Vice-Chmn. Dairen Cham. of Com. & Ind. since Dec. 1941. Address: 68 Sakakimachi, Dairen.

Taniguchi, Akizo (谷口明三) Official; b. 1900 Yamaguchi-ken. Career: grad. Tokyo Imp. Univ., German Law, 1925; section chief of Police Affairs Bureau of Tottori, Aomori and Ibaragi Pref. Offices, entered Labor Sect. of Social Bureau, 1931; Dir. Police Affairs Dept. of Antung and Fengtien Prov. Present post: Chief, Police Affairs Bureau since 1939. Address: Dept. of Public Peace, Hsinking.

Ting Chiao (丁 超) Official; b. 1880 Fengtien Prov. Career: grad. Mil. Acad. of Japan 1911; Commissariat Chief Mukden Army Hdqrs.; Comdr. Yenki and Kichang Guards; same of Pinkiang Guards; same 18th Reg. 1926; Gov. Tunghua Prov. 1938. Present post: Gov. Antung Prov. since Aug. 1939. Address: c/o Antung Prov. Office Antung.

Ting Chien-hsiu (丁鑑修) Businessman; b. 1886, Kaiping-hsien, Fengtien Prov. Career: grad. Waseda Univ. Tokyo; Chief Foreign Affairs Dept. Mil. Hdqrs. Three Eastern Prov.; Gov. Fengtien Prov., Chairman North Eastern Communications Committee 1931; visited Japan 1932; Communications Minister 1932-35; Ind. Min. 1935-37; accorded privilege of former post; Pres. Manchuria Elec. Co. Present post: Manchoukuo Privy Councillor since May 1940. Address: c/o Privy Council, Hsinking.

Tinge, W. S. Y. (丁士源) General; b. 1976, Wu-hsien, Chekiang, China. Career: studied at Tientsin Nav. Sch. 1893-96; joined Imp. Army commanded by Marshal Baron Sun Chin 1891-1901; studied at Lincoln's Inn London 1901-04; returned to Peking 1904 and organized 4th & 6th div. with Marshal Ma Yu-kun and Tuan Chi-jui; Dept. Chief Imp. Army Council 1905-07; attended 2nd Hague Conf. as Chinese Imp. Military Del. 1907-08; Life Mem. Royal Geological Society, London 1907; Judge Advocate Gen. Imp. China Army & Navy 1907-11; Dir. Gen. Metro. Police & Gendarmerie Training Quarters 1908-11; Adjt. Gen. Imp. Army Hankow 1911-12; Supt. Customs Hankow 1912-16; Mng.-Dir. Peking-Suiyuan Ry. 1916-20; Mem. Defence Committee 1916-20; A.D.C. Personal to Pres. of China 1917-20; Mng.-Dir. King Sui Peking-Hankow Ry. 1918-20; Chief Aviation Dept. 1918-29; Military Mission to Siberia 1919-20; Dir. Gen. Lung-yen Iron Mining Co. 1916-20; Ed. Tientsin Daily News 1922-24; Vice-Chairman Finance Readjustment Commission 1924-27; Chairman Domestic Loan Service 1924-29; Dir. Sino-Franco Bk. and Exchange Bk. of China 1926-30; Manchoukuo Chief Executive's Personal Repr. in Eu. 1932-33; Manchoukuo Min. to Japan 1933-35. Publications: World Navy 1909; Notes & Comments to the Rules and Regulations of War on Land 1911, etc. Decerations; Chevalier Legation d'Honneur 1906; 5th Order of Merit, Republic of China 1920; 2nd Class Excellent Corps 1914; 2nd Class, Civil Tiger 1915; 2nd Class Presious Excellent Corps 1917; 2nd Order of Merit, Manchou Tikuo 1934; 2nd O.M. Japanese Empire; 2nd Order of S. Gregori Magni, Vaticana, 1936. Present post: Aud. Central Bk. of Manchou since 1935; Adv. Manchuria Ind. Development Corp. Dir. Japan-Manchoukuo Cultural Sty. Address: No. 17 Kyowa-gai 3-dan, Shikishima-ku, Mukden.

Tomoeda, Takahiko (友枝高彦) Educator; b. Nov. 4, 1876, Fukuoka-ken; s. Hayami Tomoeda. Career: grad. Litt. Coll. Tokyo Imp. Univ. 1901; went to Eng. 1904; Prof. 5th Higher Sch.; Asst. Prof. Kyoto Imp. Univ.; studied in Amer., Germany & Eng. 1910; Prof. Tokyo Higher Normal Sch. 1914, Tokyo Imp. Univ. 1916; represented Shintoist at Preliminary Meeting of World Religious Conf. Geneva, and stayed in Germany 1928; went to Eur. as Japanese Dir. of Japan Institute, Berlin 1934; went to Amer. 1935. Present post: Prof. Tokyo Univ. of Litt. & Sc.; Prof. Nippon Women's Univ.; Dir. Japanisch-Deutsches Kulturinstitut. Address: 24 Komagome Akebono-cho, Hongo-ku, Tokyo.

Trapp, Fred Businessman; b. May 1902 in Worms a/Rh. Germany; s. of Maxim Trapp, Berlin Journalist. Present post: Asst. Mgr. China Export, Import & Bank Co., Ltd. in Harbin. Address: (office) 31 Birjevaya Str., Harbin.

Tsai Yun-sheng (蔡運升) State Minister; b. 1879, Shuangcheng-hsien,

Kirin Prov. Career: grad. Paoting Law Coll.; Chief Adm. Dept. Heilungkian Prov. 1915; Adv. State Council, Peiping 1917; Chief Finance Dept. Kirin Prov.; Pres. Kirin Prov. Bk.; Intendant of Circuit, Kichang-tao & Foreign Affairs Commr. Changchun 1918; Foreign Affairs Commr. Harbin, 1922; Chinese Repr. to Sino-Soviet Conf. 1929; Gov. Chientao Prov. 1934-36; Vice-Pres. Central Bk. of Manchou 1936-38; Dir.-Gen. Foreign Office. Present post: Minister of Econ. since 1940. Address: c/o Keizaibu, Hsinking.

Tsang Erh-shou (臧爾壽) Company Official; b. Feb. 1883, Shengyang-hsien, Fengtien Prov. Career: grad. Kirin Law Coll. 1908; Chief Procurator Kirin District Court, 1911; Magistrate, Changling-hsien (Kirin Prov.), Lishou-hsien, Ningan-hsien & Yenki-hsien (Fengtien Prov.), 1920-29; Chief, Kirin High Procurator's Office 1932-35. Pres. Tsitsihar High Procurator's Office 1935; Vice-Dir. Manchuria Flour Control Co. Present post: Dir. Nosan-Kosha since July 1941. Address: 4-chome Yoshino-cho, Hsinking.

Tsang Shih-i 臧式毅) b. 1884, Shenyang-hsien, Fengtien. Career: studied in Military Academy, Tokyo; Staff Officer, Military Gov.'s Office Heilungkiang 1920; ,Chief Staff, Military Gov.'s Office, and Acting Gov. Kirin 1923; Councillor, General's Office, Fengtien 1926; Councillor, Public Peace Hdqrs. Three Eastern Provs. 1928; Gov. Mukden Arsenal, 1927; Chairman Govt. Committee, Liaoning Prov. 1930; Gov. Fengtien Prov. 1931-34; Minister of Civil Affairs 1932-35. Present post: Pres. Manchoukuo Privy Council; Gov. Manchoukuo Red Cross Society. Address: Privy Council, Hsinking.

Tsiao Chen-tsung (曹承宗) Official; b. 1900 Lungkiang Prov. Career: grad. Keio Univ. 1923; served at Communi. Committee 3 Eastern Prov.; Dir. Industrial Bd. 1934; Dir. Land-register Adjustment Bureau, Jan. 1940. Present post: Dir. Land Admini. Gen. Bur. since Feb. 1940. Address: c/o Chisei Sokyoku, Hsinking.

Tsudomi, Tsukuda (都富 佃) Official; b. 1896 Tokyo. Career: grad. Polit. Dept. Tokyo Imp. Univ. 1924; entered Home Office; lectured at Tohoku Imp. Univ. & Tohoku Gakuin; Prof. Hosei & Nihon Univs. 1926; came to Manchoukuo 1933; Councillor Legislation Bur.; Dir. Police Affairs Bur. Lungkiang Prov. 1937; Mayor of Antung 1939-41. Present post: Prof. Kenkoku Univ. & Hsinking Law Coll. since July 1941. Address: c/o Kenkoku Univ. Hsinking.

Tsuji, Minato (辻湊) Businessman; Pres. Coal Liquefaction Research Institute. Address: Sekitan Ekika Kenkyusho, Boyeki-Kaikan, 40 Chiyoda-cho, Mukden, Manchoukuo.

Tsuneyoshi, Hideo (恒吉秀雄) Official; b. 1886 Miyazaki-ken. Career; Sub.-Lt. 1906; Col. 1918. Mgr. Student Section Mil. Acad.; Comdr. Nagoya Regimental District; waiting list 1921; Mgr. Tatung Coll. 1936; Inspector Gen. Affairs Bd. State-Council 1938; Chief Guidance Dept. of Manchoukuo Kyowakai since Apr. 1939. Address: c/o Kyowakai Hdqrs., Hsinking.

Tsutsui, Yukiro (筒井雪郎) Judge; b. Jan. 1885, Shizuoka-ken; s. of Toshichi Tsutsui; m. 1915. Career: grad. Chuo Univ.; entered judicial service 1915; Judge 1917; Judge Kumagai Divisional Office of Urawa Local Court; Judge, High Court of Kwantung Govt. 1921; Dept. Chief of same 1923-33; Judge and Chief of Kirin High Court 1933. Present post: Pres. & Prof. Shinkyo Hoset Univ. since 1938. Address: 403 Keiminro, Dojingai, Hsinking.

Tung Chi-hsu (佟濟煦) Official; b. 1884, Shanhuang. Career: grad. Fuchien Prov. Higher Sch.; Instructor, Amoy Middle Sch.; Peer's Law Coll.; Military Councillor; Staff of

Gen. Staff; Chief Guards Corps of Chief Executive's Residence; Chief Imp. Guards, Manchoukuo Imp. Household Dept. Present post: Dir. of Bur. of Imp. Attendants. Address: Imp. Household Dept. Hsinking.

U

Uchino, Masao (内野正夫) Businessman; D.E.; b. Feb. 1892 Osaka City. Career: grad. Engrg. Coll. Tokyo Imp. Univ. 1915, recd. deg. 1929; joined Furukawa Gomei Kaisha 1917; became Chief Inorganic Chemical Dept. of Central Laboratory S.M.R. 1932; Head Aluminium Works same 1936. Address: 14 Matsuoka-cho 4-chome, Fushun.

Uda, Hajime (宇田 一) Educator; D. Apr.; b. Jan. 28, 1893, Fukushima-ken. Career: grad. Agr. Coll. Tokyo Imp. Univ. 1917; Prof. Miye Higher Agr. Sch. 1921; Principal Anjo Agr. & Forestry Sch. 1933. Present post: Pres. Fengtien Agr. Coll. and Prof. Kienkuo Univ. of Manchoukuo since 1935. Address: 12 Aoi-cho, Mukden.

Uehara, Gun-ichiro (上原群一郎) b. 1894 Tokyo. Career: grad. Applied Chemistry Course, Tokyo Imp. Univ. 1919; entered Manchoukuo Civil Service; Examiner Patents Bur.; Appeal Judge same. Engr. and Chief Invention Design Sec. 1936. Present post: Dir. Patents & Invention Bur. since 1940. Address: Dept. of Finance & Commerce, Hsinking, Manchoukuo.

Uemura, Hidekazu (植村秀一) M.D.; b. 1887 Aichi-ken. Career: grad. Aichi Medical Coll. 1910; elevated to Army Surgeon Lieut.-Colonel; served Fengtien Garrison, Osaka Army Hosp., Osaka Army Arsenal, Chief Sanitation Sec. Harbin Spec. Muni.; Pres. Harbin Med. Coll. 1940-41. Present post: Div. Sanitation Bur. People's Welfare Dept. since Aug. 1941. Address: c/o People's Welfare Dept., Hsinking.

Umene, Tsunesaburo (梅根常三郎) Businessman; Dr. Engrg.; b. Feb. 1884, Fukuoka-ken; s. Shunji Yasumoto; later adopted by Sen-ichiro Umene; m. Tsuruko, d. Takumi Seo, 1915. Career: grad. Engrg. Coll. Kyoto Imp. Univ. 1911; joined Govt. Steel Works; Chief, 1st Steel Mfg. Section, 1918; joined S.M.R. Co. 1919. Present post: Mng.-Dir. Showa Steel Works since 1941. Address: 3 Kamidai-machi, Anzan, Manchoukuo.

Umetsu, Yoshijiro (梅津美治郎) Gen.; b. 1882, Oita-ken; s. Beiho Umetsu. Career: grad. Military Acad. 1904; Comdr. Inf. 3rd Reg.; Chief 1st Sect. Gen. Staff Office; Instructor Military Staff Coll.; Chief Military Affairs Sect. Army Dept.; Comdr. Inf. 1st Brig.; Chief Gen. Affairs Dept. of Gen. Staff Office; Comdr. Japanese Garrison in China 1934-35; Comdr. 3rd Div.; Vice-Min. of Army 1936. Present post: Ambassador to Manchoukuo; Comdr. Kwantung Army since Sept. 1939. Address: Japanese Embassy, Hsinking.

Uritani, Chozo (瓜谷長造) Businessman; b. Dec. 5, 1881, Toyama-ken; s. Nagamitsu Araki. Career: joined Sakai-Riki & Co. at Kobe and engaged in import of grains and fertilizers; later succeeded to the house of Mr. Uritani, then head of the above firm; came to Dairen and expanded his business; Pres. Dairen Chamber of Com. & Ind. Present post: Dir. Dairen Oil & Fat Ind. Co.; Aud. Dairen Exchange Trust Co.; Prop. Uritani Chozo Shoten. Address: 137 Yamagatadori, Dairen.

Usami, Kyoji (宇佐美喬爾) Official; b. 1892 Gifu-ken. Career: grad. Law Coll. Tokyo Imp. Univ. 1910; served Mitsui Mining Co., Dairen, Ssupingkai Changchun Exchanges; entered S.M.R. 1926; Councillor & Vice-chief Chincheng Rys. Bur. 1936; Vice-Dir. Harbin Rys. Bur. Present post: Dir. Fengtien Rys. Bur. since 1940. Address: Mukden, Manchoukuo.

Usui, Tomoharu (薄井友治) Official;

b. 1902 Wakayama. Career: grad. Law Coll. Kyoto Imp. Univ. 1930; Police Inspector Karafuto Gov. 1932; Dir. Police Training Institute same yr.; resigned post and entered Manchoukuo Civil Service 1933; Sec. Chief Harbin Police Board; Sec. Chief Police Dept. Pingkiang Prov.; Chief Police Dept. Johol Prov. 1939. Present post: Mayor of Ssupingkai since 1941. Address: Muni. Office Ssupingkai.

Uyeda, Kotaro (植田貢太郎) Official; b. 1893, Kagawa-ken. Career: joined S.M.R. Co. 1918; Councillor same 1930; Supervisor Gen. Affairs Board Manchoukuo State Council 1932-38. Dir. Police Affairs Bur. Public Peace Dept. Manchoukuo Aug. 1938. Present post: vice-govr. Kirin Prov. since Dec. 1939. Address: Kirin Provincial Office, Kirin.

W

Wagner, Wilhelm. Diplomat; Dr. Jur.; b. July 3, 1884, Wetterfeld, Hessen, Germany; s. Heinrich Wagner, clergyman; m. Elisabeth Richly. Career: grad. Grammar Sch.; Geneva, Giessen and Berlin univs. 1894-1903; Student Interpreter Leg. Peking 1908; Acting Cons. Swatow 1913; served in Great War 1914-16; Vice-Cons. Geneva 1918; Secr. Leg. Peking 1920; Acting Cons.-Gen. Canton 1921-23; Cons. Vladivostok 1923; Hongkong 1925; Counsellor Leg. China 1928-29; Cons.-Gen. Canton 1929-34; Cons.-Gen. at Kobe 1934-38. Present post: German Minister to Manchoukuo. Address: German Legation, Hsinking.

Wang Chi-Tseng (王濟衆) Lt.-General; b. Pehchen-hsien, Chinchow Prov. Career: grad. Fengtien Higher Military Education Research Corps; chief Arms Section of Defence Dept. 1932. Dir. Military Affairs Bur. 1935-1941. Present post: Comdr. 2nd Army Hdqrs. since Mar. 1941. Address: 2nd Army Hdqrs., Kirin.

Wang Chi-yu (王之佑) Lt.-Gen.; b. 1893, Hsincheng-hsien, Chinchow Prov. Career: grad. Fengtien Military Acad.; Chief Staff, 5th, 6th and 7th Brig. of Ankuo Army; Chief Polit. Affairs Bd. of Chahar; Dir. Peace Supt. Bur. of Kirin Prov.; Manchoukuo Govt. service since its establishment; Chief Military Inspection Div. of Defense Dept. 1934; Chief Staff Public Peace Dept.; Comdr. 8th Army. Present post: Comdr. 3rd Army since June 1940. Address: 3rd Army Hdqrs., Tsitsihar.

Wang Ching-chang (王慶璋) Official; b. 1894, Hsingching-hsien, Fengtien Province. Career: grad. Chem. Dept. Engrg. Coll. Tokyo Imperial Univ.; Chief, Foreign Affairs Dept.; Eastern Prov. Ry. Guards Hdqrs.; Chief, Powder-mill, Three Eastern Prov. Military Arsenal; Instructor, Mil. Engrg. Sch.; Councillor, Fengtien Prov. Office; Dir. Public Works Bureau, Civil Affairs Dept., Mayor of Mukden 1935-37; Dir. Constr. Bur. Dept. of Ind. Present post: Commercial Repr. of Manchoukuo in Shanghai. Address: c/o Dept. of Ind., Hsinking.

Wang Fu-chun (王富春) Banker; b. 1881, Tiehling-hsien, Fengtien Prov. Career: apptd. Chief Mgr. Three Eastern Prov. Bank; Sub-Mgr. Heilungkiang Prov. Bank; Mgr. Tsitsihar & Harbin Branches of present bank, 1934. Present post: Dir. Central Bank of Manchou since 1936. Address: c/o Central Bank of Manchou, Hsinking.

Wang Men-lieng (王夢齡) Official; b. Fengtien Prov. Career: grad. Fengtien Prov. Law Coll. 1916; Prosecutor, Tientsin Local Procurator's Office of Peking Justice Dept. 1921; President North Manchuria Spec. Dist. High Court 1932; Judge High Court 1937; Pres. Hsinking Local Court 1939. Present post: Dir. Criminal Affairs Bur. Address: c/o Justice Dept., Hsinking.

Wang Peng-to (王秉鐸) Official; b. 1901, Rushun. Career: grad. Rushun Normal Sch. 1920; Law Coll. Kyoto Imp .Univ.; entered Govt. service; Secretary Mukden Admin. Bd.; served Inspection Bd. 1932; Chief, Social Sect. People's Welfare. Present post: Chief Statistics Dept., Gen. Aff. Board since June 1941. Address: c/o Gen. Aff. Board, Hsinking.

Wang Tien-chung （王殿忠） General; b. 1882, Fengtien Prov. Career: Comdr. Cav. Corps Chihli Fed. Army 1928; Comdr. 1st Inf. Div. of same; Comdr. 1st Brig. Defence Army of Heilungkiang Prov. 1931; Comdr. Inf. 1st Brig. Fengtien Prov. upon foundation of Manchoukuo 1932; Comdr. Combined 3rd Brig. of Fengtien Defence Army 1933; Gen. since 1934; Comdr. 6th Army Dist.; Comdr. 1st Army Dist. Manchoukuo. Present post: War Councillor since Mar. 1941. Address: c/o Public Peace Dept., Hsinking.

Wang Yun-hsiang （王允卿） Official; b. 1890, Haicheng-hsien, Fengtien Prov. Career: grad. Meiji Univ. Tokyo; Chief Prison Sect. High Procurator's Office Shansi Prov.; Prof. Shansi Univ.; Procurator Tientsin Local Procurator's Office; Vice-Chairman Registration Investigation Commn. 1932; Dir. Prison Bureau Justice Dept. 1933-37; Dir. Civil Affairs and Educ. Bureau Fengtien Prov.; Dir Supervisory Bur. Home Office 1938; Councillor Gen. Affairs Bd. 1938-40. Governor Jehol Prov. since May 1940. Present post: Vice-Chief, General Affairs Board since 1941. Address: General Affairs Board, Hsinking Manchoukuo.

Wei Huan-chang （韋煥章） Official; b. 1892, Fengtien Prov. Career: grad. Liaoyang Normal Sch. 1911; Sect. Chief Educ. Dept. Fengtien Prov.; Dir. Fengtien Prov. Educ. Society; Chief Educ. Dept. Fengtien Prov. 1932-37; Mayor of Harbin fill 1938; Gov. Pinkiang Prov. 1938-40. Present post: Pres. Foreign Affairs Bureau since May 1940. Address: c/o Foreign Aff. Bur. Hsinking.

Wei Tsung-lien （魏宗蓮） Banker; b. 1885 in Tehchow, Shantung; s. Wei Naisiang, Govt. Official. Career: studied law at Tokyo Imp. Univ.; Magistrate, Kianghun-Tao, Ichang-Tao, 1921; Chief, Ki-Hei Salt Transportation Office after Mukden Incident, 1931; Chief, State Salt Transportation Office, 1934-37. Present post: Dir. Ind. Bk. of Manchou since 1937. Address: Manshu Kogyo Ginko, Hsinking.

Wu Erh-chin （烏爾金） Lieut.-Gen. b. 1891, Mongolia. Career: grad. Chita Municipal Univ., 1912; chief secr. Buriat Banner, 1926-27; chairman same, 1932; chief staff North Hsingang Defence Army Hdqrs., 1934; comdr. North Hsingan Army Hdqrs., 1935. Present post: comdr. 10th Army Hdqrs. since Mar., 1940. Address: 10th Army Hdqrs., Hailar.

Wu Yuan-min （呉元敏） Lt.-Gen.; b. 1886, Hupei Prov., China. Career: grad. Military Acad. Japan; Major-Gen. 1920; Chief Staff 13th Brig. of North-Eastern Army Hdqs. 1924; Manchoukuo Govt. service since the establishment; Chief Staff Kirin Defense Hdqrs. 1932; Comdr. Kirin Dist. Defence Army 1934; Chief Staff 2nd Army; Chief Staff Public Peace Dept. 1939. Present post: Comdr. 8th Army since June 1940. Address: c/o 8th Army Hdqrs. Tunghua.

Y

Yamada, Mitsuru （山田　滿） Rear-Admiral; b. 1898 Kagoshima-ken. Career: grad. Nav. Acad. 1909; Nav. Staff Coll.; Captain H.M.S. "Isuzu"; Const. Inspector attached to Kure Nav. Station; Chief 3rd Dept. Prov. Materials Adjustment Bur. Present post: Naval Attache to Embassy Hsinking since 1941. Address: c/o Japanese Embassy Hsinking.

Yamauchi, Seiji （山口清治） M.D.; Career: grad. Manchuria Med. Coll. 1916; Chief Hsinking Spec. Muni. Hospital for many yrs. Present post: Dean Hsinking Med. Coll. since 1938. Address: Ika Daigaku, Hsinking.

Yamamoto, Morimasa （山本正盛） Businessman; b. June 1873, Kagoshima-ken; s. Morihide Yamamoto, banker. Career: grad. Engrg. Coll. Tokyo Imp. Univ. 1900; joined Kawasaki Dockyard Co.; apptd. Chief, Works Dept. 1909; Dir. 1920; Mng.-Dir. 1923-33; Pres. Manshu Arsenal 1934-40. Present post: Pres. Manchu Ind. Soc.; Adviser Manshu Arsenal. Address: 4 Asama-cho, Mukden.

Yamanashi, Takeo （山梨武夫） Official; b. 1902 Shizuoka-ken; s. Ainosuke. Career: grad. Litt. Coll. Tohoku Imp. Univ. 1926; Chief Revenue Office Yamagata; Chief Accounts & Salt Revenues Sec., Finance Dept. of Manchoukuo; Chief Gen. Aff. Sec., Gen. Monopoly Bur. Vice-Dir. Monopoly Bur.; Dir. Com. Bur., Dept. of Finance & Commerce, 1939. Present post: Councillor Embassy Tokyo since 1940. Address: Manchoukuo Embassy, Azabu, Tokyo.

Yamaoka, Nobuo （山岡信夫） Company Official; b. 1889 Osaka. Career: grad. Elec. Course Tokyo Imp. Univ. 1913; entered S.M.R.; served at Fushun Colliery; Dir. Yingkou Hydroelectric Co.; Mng.-Dir. South Manchuria Elec. Co.; Mng. Dir. Dir. Dairen Muni. Traffic Co. Present post: Pres. Dairen Muni. Traffic Co. Address: 10 of 317, Taizanton, Dairen.

Yano, Yoshiaki （矢野美章） Company official; b. 1880 Kagawa-ken. Career: grad. Mechanics Course Kyoto Imp. Univ. 1905; Enrg. Kawasaki Dockyard Co.; Chief Engr. and Mng.-Dir. Tobatta Foundry Iron Works; Audit. Hitachi Ltd.; Pres. Tokyo Automobile Mfg. Co. Present post: Pres. Manchou Aviation Co. since July 1941. Address: c/o Manshu Koku K.K., Mukden.

Yen Chuan-fu （閻傳紱） Official; b. 1896, Chinchowhsien. Career: grad. Toky Imp. Univ.; joined S.M.R. Co. 1926; Mem. Dairen Muni. Assembly 1928; Councillor Fengtien Prov Office 1931; Mayor of Mukden 1932-35; Gov. Pinkiang Prov. Present post: Gov. Kirin Prov. of Manchoukuo. Address: Governor's Residence, Kirin.

Yin Tse-chan （尹祚乾） Vice-Admiral; b. Dec. 1887, Chichiang-hsien, Hunan Prov. Career: grad. Tokyo Higher Mercantile Marine Sch. 1910, Navy Gunnery Sch. 1911; Capt. Gunboat "Litsi," "Kiangping," "Li Tsieh," "Kiang Hsiang"; Acting Comdr. River Patrol Fleet 1929; Comdr. 1931; Vice-Admiral, Aug. 1935; Comdr. in-Chief Manchoukuo River Patrol Fleet. Present post: War Councillor since Mar. 1941. Address: c/o Public Peace Dept., Hsinking.

Ying Chen-fu （應振復） Lt.-Gen.; b. in Liaoyang, Fengtien Prov. Career: grad. Military Acad. Japan; Instructor Military Acad. of Three Eastern Prov.; Chief Staff 8th Div. 1920; joined 2nd Feng-Chih War as Comdr. of Artillery Corps of 8th Div. 1924; Comdr. 16th Brig. of North Eastern Army 1927; Comdr. 27th Div. 1928; Dir. Land Bur. Eastern Prov. Special Dist. 1931; Manchoukuo Govt. service since its establishment; Chief Infantry Dept. of Central Military Training Inst. 1932; Lt.-Gen. since 1934; Dir. Kirin Gendarmerie Training Inst.; Comdr. 5th Army Hdqrs. 1939-1940. Present post: Comdr. 4th Army Hdqrs. Address: 5th Army Hdqrs., Manchoukuo.

Yokose, Umekichi （横瀬花兄七） Company Official; b. 1892, Ibaraki-ken. Career: grad. Hokkaido Imp. Univ. agr. 1916; dir. Dairen Agr. Affairs Co.; Toa Kangyo (Far East Hypothec Co.) K.K.; joined S.M.R. Co.; engr. Hokkaido Govt.; chief Special Produ section Agriculture Bureau of Manchoukuo. Present post: Mng.- Dir. Manchuria Raw Cotton Corp. Address: Manshu Menka K.K., Koakai-kan, Mukden.

Yokoyama, Ryuichi (橫山龍一) Official; b. 1903 Tottori-ken. Career: grad. Polit. Course, Tokyo Imp. Univ. 1927; Chief Nagasaki Taxation Bur.; Sec. Chief, Finance Dept. Kwantung Gov., entered Manchoukuo Civil Service 1938; Sec. Chief, Finance Bur.; Chief Banking Sec.; Lecturer Tatung Academy; Councillor General Aff. Bd. Present post: Dir. Banking Bur. since 1941. Address: Keizaibu, Hsinking, Manchoukuo.

Yoneno, Toyomi (米野豐實) Journalist; b. Feb. 22, 1892, Niigata-ken; s. Yasugoro Yoneno, Govt. Official. Career: Chief Editor Takata Nippo-sha; Vice-Chief Polit. Dept. Yamato Shimbun-sha; Chief Polit. Dept. Chuo Shimbun-sha; Sub-Editor Nippon Dempo Tsushin-sha; Mng.-Editor Manshu Nippo-sha; Non-official staff Overseas Dept.; re-entered Manshu Nippo-sha and apptd. Dir. and Mng.-Editor. Present post: Chief Editor, Manshu Nichi-Nichi & Pres. Dairen Nichi-Nichi. Address: 22 Heiwadai, Dairen.

Yoshino, Shinji (吉野信次) Mem. House of Peers; ex-State Minister; b. Sept. 1888, Miyagi-ken; s. Toshizo Yoshino. Career: grad. Law Coll. Tokyo Imp. Univ. 1913; entered Agr. & Com. Min.; transferred to Com. & Ind. Dept.; Chief Documents & Statistics Bureaux same; Dir. Ind. Bur. same 1928; Vice-Min. Com. & Ind.; Pres. Tohoku Kogyo K.K.; Minister of Com. & Ind. 1937-38. Present post: Pres. Manchuria Light Metal Mfg. Co.; Vice-Pres. Manchuria Ind. Development Corp.; Dir. Manchuria Automobile Mfg. Co. Present post: Adviser Manchuria Ind. Development Corp.; Financial Adviser to Manchoukuo Government since Feb. 1941. Address: c/o Manchuria Ind. Development Corp., Hsinking.

Yoshioka, Yoshisaburo (吉岡義三郎) Businessman; b. Mar. 13, 1889, Wakayama-ken; s. Matsunosuke Asai, merchant; later adopted by Ginji Yoshioka; m. Mitsue, niece Kenkichi Sakaeda. Career: grad. Law Coll. Tokyo Imperial Univ. 1917; joined Fujita-gumi and served at Kosaka Mines; entered Oriental Development Co., serving at its General Affairs Dept., Keijo and Moppo Branches; Asst.-Mgr. Keijo Branch; Mgr. Fusan Br.; Mgr. Shariin and Heijo Br.; besides served as Special Mem. of several local agr. assns. in Korea; Auditor, Totaku Mining Co. and Chosen Fertilizers Co., etc. Present post: Mng.-Dir. Totaku Tochi Tatemono Kaisha since 1934; Councillor, Oriental Development Co. Address: 64 Hanazono-cho, Dairen.

Yu Chi-shan (于芷山) Field-Marshal; Manchoukuo Military service; b. 1882, Fengtien Prov. Career: Comdr. Chang Tso-lin's Guards; Chief Aide-de-Camp same 1927; attached to Comdr.-in-Chief's Office North Eastern Frontier Army; Comdr. 1st Dist. Army Manchoukuo 1932-35; Defence Min. 1935-37; Min. of Public Peace 1937-39. Present post: Privy Councillor Manchoukuo since 1939. Address: Privy Council, Hsinking.

Yu Chih-kung (于治功) Lieut.-Gen.; b. 1895 Chinchow, Kwantung Prov. Career: grad. Paoting Mil. Sch.; Adv. Fengtien Prov. Govt. 1932; Chief Information Office Heilungkiang Prov. Garrison Hdqrs. 1933; Chief Staff 3rd Mil. Dist. 1934; elevated to Lieut.-Gen. 1941. Address: Tsitsihar.

Yu Ching-tao (于鏡濤) Official; b. 1896 Kirin Prov. Career: grad. Harbin Higher Sch.; Vice-Chief Ry. Guards Office of Eastern Prov. upon foundation of Manchoukuo 1932; Dir. Police Affairs Bd. of Harbin; Sup-Gen. Metro. Police Bd., Hsinking. Present post: Gov. Pinkiang Prov. since May 1940. Address: c/o Pinkiang Prov. Office, Harbin.

Yu Ching-yuan (于靜遠) State Minister; b. 1898, Liaoyanghsien, Fengtien Prov. Career: grad. Swiss Mil. Acad.; Prof. North Eastern Univ.; Staff Tungsheng Ry. Guards Hdqrs.; Councillor Tungshen Spec. Dist. Gov.'s Office; Chief Fengtien Self-Govt. Training Inst.; Chief Gen. Affairs Dept. Concordia Assn. 1932; Councillor Emb. Tokyo 1933-37; Chief Central Hdqrs. Manchoukuo Concordia Assn. 1937-38; Mayor of Hsinking and Chief Hdqrs. Manchoukuo Concordia Assn. 1938-40. Present post: Minister of Agr. since June 1940. Address: c/o Dept. for Agricultural Development, Hsinking.

Yu Shen-chang (于琛澂) State Minister; General; b. 1878 Kirin Prov. Career: Comdr. 10th Brig. Kirin 1922; Comdr. Bandit Suppression Army Kirin 1923; Comdr. 16th Div. 1925-26; Comdr. 4th Dist. Garrison 1934-35; 1st Dist. Garrison 1935-37; Gov. Sankiang Prov.; Comdr. 4th Dist. Army. Present post: Public Peace Min. since 1939. Address: c/o Pub. Peace Dept. Hsinking.

Yuan Chen-tuo (阮振鐸) Diplomat; b. 1893, Tiehlinghsien, Fengtien Prov. Career: grad. South Manchuria Med. Coll. 1919; studied in Kyoto Imp. Univ. 1921; Pres. Mukden Hospital 1923; Commr. Kirin-Changchun & Kirin-Tunhua Ry. Adm. Bureaux 1930; Adviser Fengtien Prov. Govt. 1931; Chief Secr. of same 1932; Dir. Capital Constr. Bureau 1932-35; Minister of Educ. 1935-37; Manchoukuo Ambassador to Tokyo. Present post: Minister Communications Dept. & Vice-Chief Central Hdqrs. Kyowakai since Jan. 1941. Address: Kotsu-bu, Hsinking, Manchoukuo.

Yuan Chin-kai (袁金鎧) Official; b. 1870, Liaoyang-hsien, Fengtien Prov. Career: Dir. Liaoyang General Police Bureau after Russo-Japanese War; Chief Secr. to Chang Tso-lin 1916; Heilungkiang Mil. Gov.'s Chief Secr. 1922; Vice-Pres. North Eastern Local Peace Assn. after Chang's death; Councillor, Commander-in-Chief, N.E. Frontier Defence Army 1929; Chairman, Local Peace Committee; Supreme Adviser, Fengtien Prov. 1931; Privy Councillor 1932-35. Present post: Manchoukuo Lord Keeper of Privy Seal. Address: Hsinking.

Yuan Ching-lien (袁慶濂) Official; b. 1894, Fengtien Prov. Career: grad. Shenyang Higher Normal Sch.; Chief, Light Office Changchun; Chief, Revenue Supt. Office, Harbin; Dir. Cadastre Adjustment Bur. Present post: Dir. Opium Suppression Gen. Bur. since July 1940. Address: c/o Opium Suppression Bureau, Hsinking.

Yuan Yi-chih (袁怡廌 Official; b. Jan. 1893. Career: grad. Mukden Normal Sch. 1915; Councillor Kirin Prov. Govt. 1929; Gov. Fu-yuan-hen 1930; Gov. Muleng-shen 1933; Gov. Ningan-shen 1936; Mayor of Chinchow 1939-41. Present post: Chief Ind. Dept. Ssuping Prov. since July 1941. Address: Ssuping Prov. Office, Ssuping City, Manchoukuo.

Yuki, Seitaro (結城清太郎) Official; b. Aug. 1, 1894, Yamagata-ken; s. Tomijiro Yuki. Career: grad. Law Coll. Tokyo Imp. Univ.; served S.M.R. Co.; Chief Gen. Affairs Bur., Manchoukuo Supervisory Council; same Capital Construction Bur.; Vice-Gov. Pinkiang Prov. Pres. Bd. of Development, Manchoukuo Ind. Dept. 1939; Vice-Min. of Ind. Dept. Vice-Min. of Dept. of Agr. Present post: Dir. Agricultural Produce Corp. since July 1941. Address: c/o Konobu, Hsinking.

Yusa, Kohei 遊佐幸平) Major-General; b. 1884, Miyagi-ken. Career: grad. Mil. Acad.; instructor Cavalry Sch.; dir. Kawakami and Sambongi Remount Offices: judging ctte. Olympiad held in Berlin, 1936; chief Mil. Horse Supply Dept. until Feb. 1938; placed on reserve, Mar. 1938. Present post: Chief Horse Administration Bureau, Dept. of Public Peace since Jan. 1939. Address: Dept. of Public Peace, Hsinking.

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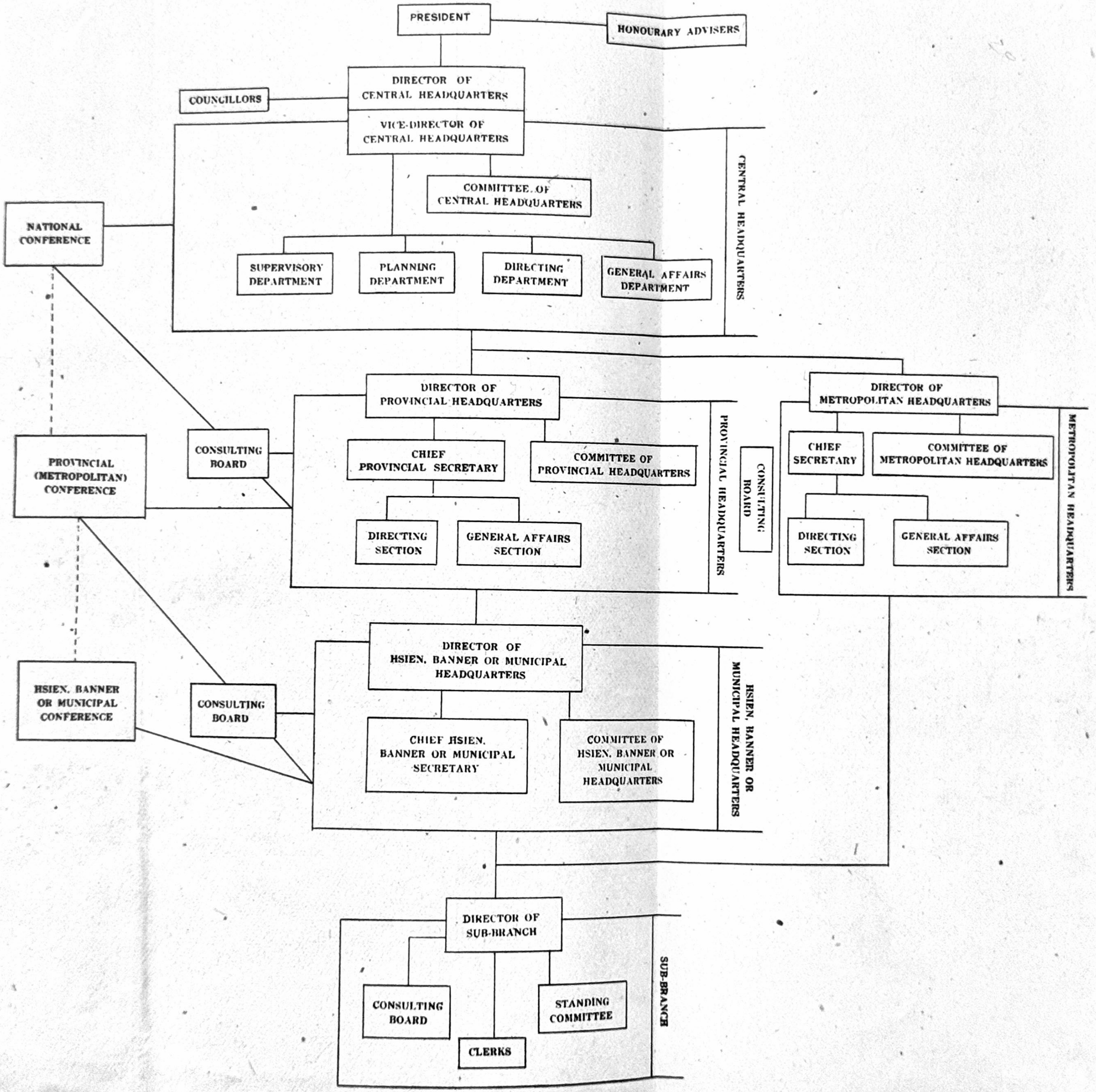
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